

2011/12

Theewaterskloof Municipality



Annual Report

Draft: -24 January 2013

REFERENCE:-

TABLE OF CONTENTS

TABLE OF CONTENTS.....	1
LIST OF TABLES	9
CHAPTER 1: MAYORS FOREWORD AND EXECUTIVE SUMMARY	13
COMPONENT A: MAYORS FOREWORD	13
COMPONENT B: EXECUTIVE SUMMARY	17
1.1 MUNICIPAL MANAGERS OVERVIEW	17
1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	20
1.2.1 INTRODUCTION TO BACKGROUND DATA.....	20
1.2.2 <i>population</i>	20
1.2.3 <i>households</i>	21
1.2.4 <i>socio economic growth</i>	22
1.2.5 <i>overview of neighbourhoods</i>	22
1.2.6 <i>natural resources</i>	23
1.3 SERVICE DELIVERY OVERVIEW	23
1.3.1 <i>proportion of Households with access to basic services</i>	24
1.4 FINANCIAL HEALTH OVERVIEW	25
1.4.1 <i>financial overview</i>	27
1.4.2 <i>operating ratios</i>	27
1.4.3 <i>Total capital expenditure</i>	28
1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW	29
CHAPTER 2	30
(PLEASE PROVIDE PHOTOS TO DEVELOP FRONT PAGE).....	30
CHAPTER 2: GOVERNANCE	31
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	31
2.1 POLITICAL GOVERNANCE	31
2.1.1 <i>political structure</i>	31
2.1.2 <i>councillor profile</i>	33
2.1. <i>political decision taking</i>	34

Theewaterskloof Local Municipality Annual Report 2011/12

2.2	ADMINISTRATIVE GOVERNANCE	35
	COMPONENT B: INTERGOVERNMENTAL RELATIONS	36
2.3	INTERGOVERNMENTAL STRUCTURES	36
	COMPONENT c: PUBLIC ACCOUNTABILITY AND PARTICIPATION	37
2.4	PUBLIC MEETINGS.....	38
2.4.1	<i>Ward Committees</i>	<i>40</i>
2.5	IDP PARTICIPATION AND ALIGNMENT	41
	COMPONENT D: CORPORATE GOVERNANCE	41
2.6	RISK MANAGEMENT.....	42
2.7	ANTI CORRUPTION AND FRAUD	43
2.7.1	<i>audit committee</i>	<i>43</i>
2.7.2	<i>municipal audit committee recommendations</i>	<i>44</i>
2.8	BY-LAWS.....	45
2.9	POLICIES.....	45
2.10	WEBSITES	46
	CHAPTER 3	47
	(PLEASE PROVIDE PHOTOS TO DEVELOP FRONT PAGE)	47
	CHAPTER 3: SERVICE DELIVERY PERFORMANCE	48
	INTRODUCTION	48
	COMPONENT A: BASIC SERVICE	51
3.1	WATER PROVISION.....	52
3.1.1	<i>TOTAL USE OF WATER BY SECTOR.....</i>	<i>52</i>
3.1.2	<i>WATER SERVICE DELIVERY LEVELS</i>	<i>53</i>
3.1.3	<i>HOUSEHOLD-WATER SERVICE DELIVERY LEVELS BELOW MINIMUM.....</i>	<i>54</i>
3.1.4	<i>EMPLOYEES-WATER SERVICES</i>	<i>55</i>
3.1.4	<i>FINANCIAL PERFORMANCE -WATER SERVICES.....</i>	<i>55</i>
3.1.5	<i>CAPITAL EXPENDITURE -WATER SERVICES.....</i>	<i>56</i>
3.2	WASTE WATER (SANITATION) PROVISION.....	57
3.2.1	<i>SANITATION SERVICE DELIVERY LEVELS</i>	<i>58</i>

Theewaterskloof Local Municipality Annual Report 2011/12

3.2.2	<i>HOUSEHOLDS-SANITATION SERVICE DELIVERY LEVELS BELOW THE MINIMUM</i>	58
3.2.3	<i>EMPLOYEES-sanitation SERVICES</i>	60
3.2.4	<i>FINANCIAL PERFORMANCE -sanitation SERVICES</i>	60
3.2.5	<i>CAPITAL EXPENDITURE -SANITATION SERVICES</i>	61
3.3	<i>ELECTRICITY</i>	63
3.3.1	<i>ELECTRICITY SERVICE DELIVERY LEVELS</i>	63
3.3.2	<i>HOUSEHOLDS-ELECTRICITY SERVICE DELIVERY LEVELS BELOW THE MINicipality</i>	64
3.3.3	<i>EMPLOYEES-ELECTRICITY SERVICES</i>	64
3.3.4	<i>FINANCIAL PERFORMANCE -electricity SERVICES</i>	64
3.3.5	<i>CAPITAL EXPENDITURE -electricity SERVICES</i>	65
3.4	<i>WASTE MANAGEMENT</i>	66
3.4.1	<i>solid waste SERVICE DELIVERY LEVELS</i>	67
3.4.2	<i>EMPLOYEES- solid waste management SERVICES</i>	67
3.4.3	<i>employees: waste disposal and other</i>	68
3.4.4	<i>financial performance: 2011/12 soild waste management services</i>	68
3.4.5	<i>capital expenditure: waste management services</i>	69
3.5	<i>HOUSING</i>	69
3.5.1	<i>employees: housing services</i>	70
3.5.2	<i>financial performance: 2011/12 housing services</i>	70
3.5.3	<i>capital expenditure: 2011/12 housing services</i>	71
3.6	<i>FREE BASIC SERVICES</i>	72
3.6.1	<i>free basic services to low income househilds</i>	72
3.6.2	<i>cost to municipality on free basic service delivery</i>	73
COMPONENT B: ROAD TRANSPORT		73
3.7	<i>ROADS</i>	73
3.7.1	<i>gravel road infrastructure</i>	73
3.7.2	<i>Tarred road infrastructure</i>	74
3.7.3	<i>cost of construction/maintenance</i>	74

Theewaterskloof Local Municipality Annual Report 2011/12

3.7.4	<i>employees: road services</i>	75
3.7.5	<i>financial performance: road services</i>	76
3.7.6	<i>capital expenditure: road services</i>	76
3.8	TRANSPORT	77
3.9	WASTE WATER (STORMWATER DRAINAGE)	78
3.9.1	<i>stormwater infrastructure</i>	78
3.9.2	<i>cost of construction and maintenance</i>	78
3.9.3	<i>Employees: Waste Water (Storm Water Drainage)</i>	79
COMPONENT C: PLANNING AND DEVELOPMENT		80
3.10	PLANNING.....	81
3.10.1	<i>employees: planning services</i>	82
3.10.2	<i>financial performance: planning services</i>	83
3.10.3	<i>capital expenditure: planning services</i>	83
3.11	LOCAL ECONOMIC DEVELOPMENT & TOURISM.....	85
3.11.1	<i>economic activity by sector</i>	86
3.11.2	<i>job creation through epwp projects</i>	87
3.11.3	<i>jobs created through led initiatives</i>	87
3.11.4	<i>employees: local economic development services</i>	88
3.11.5	<i>financial PERFORMANCE: local economic development services</i>	88
COMPONENT D: COMMUNITY AND SOCIAL SERVICES		90
3.12	LIBRARY SERVICE AND COMMUNITY FACILITIES	90
3.12.1	<i>Library services</i>	90
3.12.2	<i>employees: Library services</i>	91
3.12.3	<i>financial performance: Library services</i>	91
3.12.4	<i>community facilities</i>	92
3.13	CEMATORIES	92
3.13.1	<i>financial performance: cemeteries</i>	93
3.13.2	<i>capital expenditure: cemeteries</i>	93

Theewaterskloof Local Municipality Annual Report 2011/12

3.14	SOCIAL PROGRAMMES.....	94
COMPONENT E: ENVIRONMENTAL PROTECTION.....		95
3.15	BIO-DIVERSITY	95
COMPONENT F: SECURITY AND SAFETY.....		95
3.16	TRAFFIC AND LAW ENFORCEMENT	95
3.16.1	<i>traffic & law enforcement service data</i>	<i>97</i>
3.16.2	<i>employees: traffic services.....</i>	<i>97</i>
3.16.3	<i>financial performance: traffic and law enforcenemt.....</i>	<i>98</i>
3.16.4	<i>capital expenditure: traffic and law enforcement</i>	<i>98</i>
3.17	DISASTER MANAGEMENT	99
3.17.1	<i>financial performance: disaster management, animal control and licencing</i>	<i>99</i>
COMPONENT G: SPORT AND RECREATION		100
3.18	SPORT AND RECREATION	100
3.18.1	<i>employees: sports and recreation & Parks</i>	<i>101</i>
3.18.2	<i>employees: parks.....</i>	<i>101</i>
3.18.3	<i>financial performance: sports and recreation</i>	<i>102</i>
3.18.3	<i>capital expenditure: sport and recreation</i>	<i>102</i>
COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES.....		103
3.19	EXECUTIVE AND COUNCIL	103
3.19.1	<i>employees: executive and council</i>	<i>103</i>
3.19.2	<i>financial performance: executive and council</i>	<i>103</i>
3.19.3	<i>capital expenditure: executive and council.....</i>	<i>104</i>
3.20	FINANCIAL SERVICES.....	105
3.20.1	<i>employees: financial services</i>	<i>105</i>
3.20.2	<i>financial performance: financial services</i>	<i>106</i>
3.20.3	<i>capital expenditure: financial services.....</i>	<i>106</i>
3.21	HUMAN RESOURCES.....	107
3.21.1	<i>employees: human resources</i>	<i>107</i>

Theewaterskloof Local Municipality Annual Report 2011/12

3.21.2	<i>financial performance: human resources</i>	107
3.22	INFORMATION AND COMMUNICATION TECHNOLOGY	108
3.22.1	<i>employees: ICT services</i>	108
3.22.2	<i>financial performance: ICT resources</i>	108
3.22.3	<i>capital expenditure: ICT</i>	109
3.23	PROPERTY, LEGAL, RISK MANAGEMENT, PROCUREMENT SERVICES AND OTHER	109
3.23.1	<i>employees: valuations</i>	109
3.23.3	<i>employees: administration</i>	110
3.23.4	<i>employees: property management</i>	110
3.23.5	<i>employees: idp</i>	111
COMPONENT I: ORGANISATIONAL PERFORMANCE SCORE CARD		112
3.24	OVERVIEW OF PERFORMANCE (SDBIP_	112
3.25	PERFORMANCE (SDBIP) PER FUNCTIONAL AREA	114
3.25.1	<i>executive and council</i>	114
3.25.2	<i>finance</i>	117
3.25.3	<i>corporate</i>	121
3.25.4	<i>development</i>	129
3.25.5	<i>technical</i>	139
3.25.6	<i>Operations</i>	148
COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL		155
4.1	EMPLOYMENT EQUITY	155
4.1.1	<i>employment equity targets/actuals</i>	155
4.2	EMPLOYEE TOTALS, TURNOVER AND VACANCIES	156
4.2.1	<i>employees</i>	156
4.2.2	<i>vacancy rate</i>	157
4.2.3	<i>turn OVER RATE</i>	158
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE		159
4.3	POLICIES	159

Theewaterskloof Local Municipality Annual Report 2011/12

4.3.1	<i>hr policies and plans</i>	159
4.4	INJURIES, SICKNESSES AND SUSPENSIONS	161
4.4.1	<i>number and cost of injuries on duty</i>	161
4.4.2	<i>number of days and cost of sick LEAVE (excluding injuries on duty)</i>	162
4.4.3	<i>number and period of suspensions</i>	163
4.5	PERFORMANCE REWARDS	164
4.5.1	<i>performance rewards by gender</i>	164
	COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE	165
4.6	SKILLS DEVELOPMENT AND TRAINING	166
4.6.1	<i>skills matrix</i>	166
4.6.2	<i>financial competency development: progress report</i>	167
4.6.3	<i>SKILLS DEVELOPMENT expenditure</i>	168
	COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	168
4.7	EMPLOYEE EXPENDITURE	168
4.7.1	<i>workforce expenditure trends</i>	169
4.7.2	<i>number of employees whose salaries were increased due to their positions being upgraded</i>	170
4.7.3	<i>employees whose salary levels exceed the grade determined by job evaluation</i>	171
	CHAPTER 6	172
	(PLEASE PROVIDE PHOTOS TO DEVELOP FRONT PAGE)	172
	CHAPTER 5: FINANCIAL PERFORMANCE	173
	COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE	173
5.1	STATEMENTS OF FINANCIAL PERFORMANCE	173
5.1.1	<i>financial summary</i>	173
5.1.2	<i>financial performance of operational services</i>	175
5.2	GRANTS	176
5.2.1	<i>grant performance</i>	176
5.2.2	<i>grants received from sources other than division of revenue act</i>	177
5.3	ASSET MANAGEMENT	177
5.3.1	<i>treatment of the three largest assets acquired</i>	177

Theewaterskloof Local Municipality Annual Report 2011/12

5.3.2	<i>repair and maintenance expenditure</i>	179
5.4	FINANCIAL RATIOS	179
5.4.1	<i>liquidity ratios</i>	179
5.4.2	<i>cost coverage</i>	180
5.4.3	<i>outstanding service debtors to revenue</i>	180
5.4.4	<i>debt coverage</i>	181
5.4.5	<i>creditors system efficiency</i>	181
5.4.6	<i>capital charges to operating expenditure</i>	182
5.4.5	<i>Employee costs</i>	182
5.4.6	<i>repairs and maintenance</i>	183
	COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	183
5.5	CAPITAL EXPENDITURE	183
5.6	SOURCES OF FINANCE	184
5.7	CAPITAL SPENDING ON 5 LARGEST PROJECTS	185
5.8	BASIC SERVICES AND INFRASTRUCTURE BACKLOGS	186
	COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENT	188
5.9	CASHFLOW	188
5.10	BORROWINGS AND INVESTMENT	189
5.11	<i>assessments by municipal accounting officer with respect to MFMA SECTION 121 (3)</i>	190
a)	assessment by the municipal accounting OFFICER – MFMA section 121 (3)(e).....	190
b)	Assessment by the municipality’s Accounting Officer –MFMA SECTION 121 (3) (f).....	193
D)	Assessment by the municipality’s Accounting Officer –MFMA SECTION 121 (3) (g)	193
	LIST OF ABBREVIATIONS	195
	CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS	196
	ANNEXURE A: REPORT OF THE AUDIT COMMITTEE	197
	ANNEXURE B: CAPITAL PROJECTS: SEVEN LARGEST IN 2011/12	198
	ANNEXURE C: AUDIT COMMITTEE RECOMMENDATIONS	198
	ANNEXURE D: LONG TERM CONTRACTS	202
	ANNEXURE E: DISCLOSURE OF FINANCIAL INTERESTS	204
	ANNEXURE F: REVENUE COLLECTION BY VOTE	205

ANNEXURE G: REVENUE COLLECTION BY SOURCE	206
GLOSSARY	207
VOLUME II: ANNUAL FINANCIAL SATATEMENTS	208

LIST OF TABLES

TABLE 1: DEMOGRAPHIC INFORMATION OF THE MUNICIPAL AREA – TOTAL POPULATION	20
TABLE 2: TOTAL NUMBER OF HOUSEHOLDS	21
TABLE 4: SOCIO ECONOMIC INFORMATION	22
TABLE 5: OVERVIEW OF NEIGHBOURHOODS	23
TABLE 6: OVERVIEW OF NEIGHBORHOODS	23
TABLE 7: PROPORTION OF HOUSEHOLDS WITH MINIMUM LEVEL OF BASIC SERVICE	24
TABLE 8: BASIC SERVICE DELIVERY KPA & INDICATORS	24
TABLE 9: FINANCIAL OVERVIEW	27
TABLE 10: OPERATING RATIOS	27
TABLE 11: TOTAL CAPITAL EXPENDITURE	28
TABLE 12: POLITICAL STRUCTURE	32
TABLE 13: COUNCILOR PROFILE	34
TABLE 14: COUNCIL MEETINGS AND ATTENDANCE	34
A KEY PRIORITY OF THE MANAGEMENT TEAM HAS BEEN TO ESTABLISH A SOLID LEADERSHIP CORE WITHIN THE ORGANISATION WHICH PERMEATES THROUGH TO MIDDLE AND SUPERVISORY MANAGEMENT LEVELS. THE MANAGEMENT TEAM STRUCTURE IS OUTLINED IN THE TABLE 17 BELOW:	
TABLE 15: ADMINISTRATIVE GOVERNANCE STRUCTURE	35
TABLE 16: IGR STRUCTURES	36
THE TABLE BELOW INDICATES THE DATES OF MUNICIPAL MOBILE THUSONG INITIATIVES:	36
TABLE 17: THUSONG MOBILES	37
TABLE 18: PUBLIC MEETINGS	39
TABLE 19: FUNCTIONALITY OF WARD COMMITTEES	40
TABLE 20: IDP PARTICIPATION AND ALIGNMENT CRITERIA	41
TABLE 21: TOP FIVE RISKS	43
TABLE 22: BY-LAWS	45
TABLE 23: POLICIES	46
TABLE 24: WEBSITE CHECKLIST	46
TABLE 25: FUNCTIONAL BREAKDOWN	51
TABLE 26: TOTAL USE OF WATER BY SECTOR	52
TABLE 27: WATER SERVICE DELIVERY LEVELS	53
TABLE 28: WATER SERVICE DELIVERY LEVELS BELOW MINIMUM	54
TABLE 29: EMPLOYEES: WATER SERVICES	55
TABLE 30: FINANCIAL PERFORMANCE: WATER SERVICES	55
TABLE 31: CAPITAL EXPENDITURE: WATER SERVICES	56
TABLE 32: SANITATION: SERVICE DELIVERY LEVELS	58
TABLE 33: SANITATION: SERVICE DELIVERY LEVELS BELOW THE MINIMUM	59
TABLE 34: EMPLOYEES: SANITATION SERVICES	60
TABLE 35: FINANCIAL PERFORMANCE: FINANCIAL SERVICES	60
TABLE 36: CAPITAL EXPENDITURE: SANITATION SERVICES	61
TABLE 37: ELECTRICITY SERVICE DELIVERY LEVELS	63
TABLE 38: EMPLOYEES: ELECTRICITY SERVICES	64

Theewaterskloof Local Municipality Annual Report 2011/12

TABLE 39: FINANCIAL PERFORMANCE: ELECTRICITY SERVICES	65
TABLE 40: CAPITAL EXPENDITURE: ELECTRICITY SERVICES	65
TABLE 41: SOLID WASTE SERVICE DELIVERY LEVELS.....	67
TABLE 42: EMPLOYEES: SOLID WASTE MANAGEMENT	67
TABLE 43: EMPLOYEES: WASTE DISPOSAL AND OTHER	68
TABLE 44: FINANCIAL PERFORMANCE: SOLID WASTE MANAGEMENT SERVICES	68
TABLE 45: CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES	69
TABLE 46: SUMMARY OF HOUSING BUILT.....	69
TABLE 47: EMPLOYEES: HOUSING	70
TABLE 48: FINANCIAL PERFORMANCE: HOUSING SERVICES	70
TABLE 49: CAPITAL EXPENDITURE: HOUSING SERVICES	71
TABLE 50: FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS	72
TABLE 51: COST TO MUNICIPALITY ON FREE BASIC SERVICE DELIVERY.....	73
TABLE 52: GRAVEL ROAD AND INFRASTRUCTURE	73
TABLE 53: TARRED ROAD AND INFRASTRUCTURE	74
TABLE 54: COST OF CONSTRUCTION/MAINTENANCE	74
TABLE 55: EMPLOYEES: ROAD SERVICES	75
TABLE 56: FINANCIAL PERFORMANCE ROAD SERVICES	76
TABLE 57: CAPITAL EXPENDITURE: ROAD SERVICES	77
THE TABLE BELOW SHOWS THE TOTAL KILOMETERS OF STORMWATER MAINTAINED AND UPGRADED AS WELL AS THE KILOMETERS OF NEW STORMWATER PIPES INSTALLED:	78
TABLE 58: STORM WATER INFRASTRUCTURE	78
TABLE 58: COST OF CONSTRUCTION/MAINTENANCE OF STORM WATER SYSTEMS	78
TABLE 59: TOWN PLANNING APPLICATIONS.....	82
TABLE 60: EMPLOYEES: PLANNING SERVICES.....	82
TABLE 61: FINANCIAL PERFORMANCE: PLANNING SERVICES	83
TABLE 62: CAPITAL EXPENDITURE: PLANNING SERVICES	84
TABLE 63: ECONOMIC ACTIVITY BY SECTOR	86
TABLE 64: JOB CREATION THROUGH EPWP PROJECTS.....	87
TABLE 65: JOB CREATED THROUGH LED INITIATIVES.....	87
TABLE 66: EMPLOYEES: LED.....	88
TABLE 67: FINANCIAL PERFORMANCE: LED.....	88
TABLE 67: EMPLOYEES: LIBRARY SERVICES.....	91
TABLE 68: FINANCIAL PERFORMANCE: LIBRARY SERVICES	91
TABLE 69: CREMATORIES	92
TABLE 69: FINANCIAL PERFORMANCE: CREMATORIES	93
TABLE 71: SOCIAL DEVELOPMENT INITIATIVES	94
TABLE 72: TRAFFIC/LAW ENFORCEMENT SERVICE DATA	97
TABLE 73: EMPLOYEES: TRAFFIC SERVICES	97
TABLE 74: FINANCIAL PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT.....	98
TABLE 75: CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT	98
TABLE 77: EMPLOYEES: PARKS	101
TABLE 78: FINANCIAL PERFORMANCE: SPORTS AND RECREATION	102
TABLE 79: CAPITAL EXPENDITURE: SPORTS AND RECREATION	102
TABLE 80: EMPLOYEES: EXECUTIVE AND COUNCIL	103
TABLE 81: FINANCIAL PERFORMANCE: : EXECUTIVE AND COUNCIL.....	103
TABLE 82: CAPITAL EXPENDITURE: EXECUTIVE AND COUNCIL.....	104
TABLE 83: DEBT RECOVERY.....	105
TABLE 84: EMPLOYEE: FINANCIAL SERVICES	105
TABLE 85: FINANCIAL PERFORMANCE: FINANCIAL SERVICES	106

Theewaterskloof Local Municipality Annual Report 2011/12

TABLE 86: CAPITAL EXPENDITURE:: FINANCIAL SERVICES	106
TABLE 87: EMPLOYEES: HUMAN RESOURCES.....	107
TABLE 88: FINANCIAL PERFORMANCE: HUMAN RESOURCES.....	107
TABLE 89: EMPLOYEES: ICT	108
TABLE 90: FINANCIAL PERFORMANCE: ICT	108
TABLE 91: CAPITAL EXPENDITURE: ICT	109
TABLE 92: EMPLOYEES: VALUATIONS.....	109
TABLE 93: EMPLOYEES: ADMINISTRATION	110
TABLE 94: EMPLOYEES: PROPERTY MANAGEMENT.....	110
TABLE 95: EMPLOYEES: IDP	111
TABLE 98: EMPLOYMENT EQUITY TARGETS.....	155
TABLE 99: EMPLOYEE TOTALS	156
TABLE 100: VACANCY RATES	157
TABLE 101: TURN OVER RATES	158
TABLE 102: HR POLICIES AND PLANS	160
TABLE 103: NUMBER AND COSTS OF INJURIES ON DUTY	161
TABLE 104: NUMBER AND COSTS OF SICK LEAVE	162
TABLE 105: NUMBER AND PERIOD OF SUSPENSIONS	163
TABLE 106: PERFORMANCE REWARDS	164
TABLE 107: SKILLS MATRIX.....	166
TABLE 108: FINANCIAL COMPETENCY: PROGRESS REPORT	167
TABLE 109: SKILLS DEVELOPMENT EXPENDITURE	168
TABLE 110: WORKPLACE EXPENDITURE TRENDS.....	169
TABLE 111: COUNCILOR AND STAFF BENEFITS	170
TABLE 112: NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO POSITIONS BEING UPGRADED.....	171
TABLE 113: EMPLOYEES WHOSE SALARY LEVELS EXCEED THE GRADE DETERMINED BY JOB EVALUATION.....	171
TABLE 114: FINANCIAL SUMMARY	174
TABLE 115: FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES.....	175
TABLE 116: GRANT PERFORMANCE.....	177
TABLE 117: GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT	177
TABLE 118:TREATMENT OF THE LARGEST THREE ASSETS ACQUIRED	179
TABLE 119: REPAIRS AND MAINTENANCE EXPENDITURE.....	179
TABLE 120: SOURCES OF FINANCE	185
TABLE 121: CAPITAL SPENDING ON 5 LARGEST PROJECTS.....	186
TABLE 122: BASIC SERVICES AND INFRASTRUCTURE BACKLOGS	187
TABLE 123: CASH FLOW	189
TABLE 124: BORROWINGS AND INVESTMENTS.....	189

CHAPTER 1

MAYORS FOREWORD AND EXECUTIVE SUMMARY



CHAPTER 1: MAYORS FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYORS FOREWORD

This report is in accordance with powers and functions of local municipalities as described in the:

- Local Government: Municipal Systems Act (32 Of 2000).
- Local Government: Municipal Structures Act (117 of 1998).

Assessments and conclusions over the state of Theewaterskloof Municipality in 2011/2012 are based on stipulations of these Acts. This report provides a realistic overview of the state of the municipality, council and administration in the report year.

The report deals with the municipality in a holistic context but touches on the roles and functions of various operational structures and directorates.

The report deals with matters of functional service delivery, financial sustainability; and the threats, challenges and opportunities that faced the local authority in 2011/2012.

Vision

As a successfully developed and functional local authority Theewaterskloof municipality succeeds with service delivery as embodied in mandates as set out in the:

- Constitution of South Africa;
- Local Government: Municipal Systems Act (32 Of 2000);
- Local Government: Municipal Structures Act (117 of 1998);
- Municipal Financial management Act; and
- Pieces of municipal related legislation.

Theewaterskloof municipal vision is to increase its effectiveness as a local government through an effective operational structure, supported by sustainable infrastructure and human abilities and capacities, in an environment conducive for growth, development and functional service delivery; and to create short, medium and long term financial sustainability with sufficient sustainable sources of income.

Primary pillars needed to succeed with the vision:

- Sustainable sources of income.
- Internal expertise and functionality.
- Client orientated service delivery.
- Advanced communication on all levels and with all role-players and partners.
- Optimal service delivery through sufficient and sustainable infrastructure.
- Synchronised community expectation and municipal abilities and capacities.

- Participative government; i.e. exceptional levels of public involvement and participation in local governance processes.
- Role player understanding of the needs of one another.
- Internal and external unity and political stability.

Threats to the vision include the:

- Spreading of politically motivated disinformation to the public by political opportunists who aims to destabilise the municipality for political gains and to establish general public disobedience and rolling violent mass actions. The effect of political hooliganism on the functioning of the municipality and especially service delivery is substantial and threatens to make the municipality ungovernable and to deprive people of basic services. The mass actions endanger lives and causes damage to infrastructure and material.
- Management of the mass migration of people, from all over South Africa, to Grabouw and Villiersdorp; and providing in the municipal needs of migrated people who are by and large poor. The municipality accepts the democracy right of people to live where they want; but the high population growth is creating financial pitfalls for Theewaterskloof and this challenge should be addressed local municipality, assisted by national and provincial government.
- A narrow tax and tariff basis and limited resources of income. The municipal services need in Theewaterskloof is increasing out of proportions due to migration and a pool of taxation and tariffs that remains the same. Unfunded mandates must be funded from appropriate sources whilst national government must redress shortcomings in the financial model for municipalities. The existing model still dates back to pre-democratisation when local authorities primarily provided services to white residential areas. Municipalities now provide services to a wall to wall municipal client and funding is inadequate. The current situation jeopardises the entire sustainability potential of municipalities. Without a solution the local authority will reach a point of imploding or melt down in a few years' time. Sustainable income is a matter of extending existing income sources and creating new ones.

Key policy matters

- The Integrated Development Plan for Theewaterskloof Municipality was drafted in accordance with the requirements and prescriptions of the Municipal Systems Act (32 of 2000). With the process of development and implementation the municipality adhered to key tasks: the Municipal council adopted a process set out in writing to guide the planning, drafting, adoption and review of the IDP; the Municipality, through appropriate mechanisms, processes and procedures, consulted the local community before adopting the process; and Municipalities involved the community in drafting and finalising the IDP.
- The municipality drafted the annual budget with full community participation and the IDP is fully integrated in the budget for 2011/2012. The budget came about through private/public/community-processes and can be regarded as a people's budget. The budget was compiled in terms of all regulating pieces of legislation and various Acts.
- The municipality adhered, in the delivery of all its core functions, to Acts and legislation prescribing public participation through various processes. Processes include Ward Committee activities, Service

Level Agreement-activities and other public meetings. The municipality declares that the public participated in all municipal activities.

- The municipality complied with the prescriptions and demands of the Public Access to Information Act and compliance occurred through regular town newspapers, corporate news papers, press releases, brochures, pamphlets and negotiations where information was transferred.

Key achievements

The municipality interacted with the public and through this and research for the IDP the authority developed its understanding of the profile of communities and people in the municipal area: socio-economic, welfare, demographics, employment, poverty, education and training. By understanding the municipality has knowledge about the real needs of people and communities and what municipal actions are needed to create general and economic growth and development.

The municipality by and large succeeded with its SLA process and entered into second generation agreements with most towns. SLA's of towns were evaluated by communities and the results point towards improved service delivery.

Despite political driven public protests the municipality improved service delivery and upgrading and development key infrastructure.

The municipality registered more poor families in the indigent household support program and spread basic service delivery to more people.

The municipality implemented its housing allocations in all towns and facilitated good houses to hundreds of beneficiaries and families. All housing funds were spent and the municipality negotiated with provincial and national authorities for an extended allocation of unused funds of other municipalities.

The municipality planned for short and medium term financial sustainability and implemented organisational strategies and approaches to ensure that outstanding debts are recovered, that the client pay for all services, that the rand is utilised to its optimum and that operational savings add to the pool of funds for service delivery. The short term strategy will launce long term financial sustainability and in this regard the municipality developed a 2030-strategy and initiative to receive payments for unfunded mandates as well as to identify and develop additional income sources. Actions taken this year and the planning done could result in a prosperous authority cleared from the fears of melt down and implosion.

The municipality improved communication through mechanisms mentioned elsewhere; but also through SLA-processes and fully functional and people driven Ward Committees. The IDP and Budget were drafted in an environment suitable for accelerated communication.

The municipality were involved with several local economic initiatives that lead to job creating economic projects such as the cloth production plant in Caledon, the shopping mall in Caledon, the tar of the road between Overstrand and Theewaterskloof to accelerate tourism, initiatives of the Grabouw Sustainable Development Initiative, the small industry hub in Botrivier and small job creation projects of the TWK-HAN Project. In the process partnerships developed between private business, development initiatives, training facilitators and business support entities (Business Development initiatives of the LED Department).

Final thoughts

It was a tough year and the challenges to maintain development and service delivery in a politically heated environment was met; but with time and effort that should have gone into service delivery and municipal financial sustainability initiatives.

The budget for 2011/2012 was successfully implemented and an index will indicate that services were spread to people who need it most: indigent households.

Challenges of the day were dealt with successfully and a platform was laid for long term financial sustainability. The municipality remained one of the best in South Africa. Despite limited resources effective and sustainable services were rendered through skilled, experienced and committed personnel and good infrastructures.

The baseline assessment is that the municipality moved forward in 2011/2012 and that it progressed in terms of its responsibilities, tasks and service delivery.

Acknowledgements

I thank Municipal Manager, Mr. Stan Wallace for the incredible work done by him, his management team and all other staff.

I thank the Executive Committee for their support and dedication to this fine municipality - it was a privilege to lead people of your calibre.

I thank all parties on Council for their support.

Thanks to directors, town managers and all personnel.

Thank you to the public who worked with us and actively participated in processes that lead to good municipal governance and services. Thank you for supporting us and for allowing us to serve you.

I Praise our Heavenly Father for His guidance, without Him nothing would have been possible.

Alderman Chris Punt
Executive Mayor

COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGERS OVERVIEW

We went through the first full year after the current Council was elected in 2011 and it is important to reflect on and respond to the experiences of the year.

Immediately after the previous Council was elected it adopted a Turnaround Strategy and the key changes resulting from the strategy were:

1. A decentralised approach to day-to-day service delivery and the establishment of Town Offices to implement the approach.
2. Improved Corporate Governance.
3. Adopting a developmental philosophy and approach against which the macro design of the municipality was reviewed.
4. Adopting Local Economic Development (LED) as the primary strategic objective of the municipality.
5. Improved contact and engagement with local communities and the introducing of mechanisms such as improved and restructured Ward Committees, Town Offices, the SLA process and regular newsletters for all Towns in addition to the Corporate Newsletter.
6. Creating partnerships with stakeholder groupings through which the municipality addressed widening gaps between stakeholder's expectations and municipal institutional capacities. These partnerships assisted with the increase of the institutional capacity of the municipality.
7. Investing more in the development of the institutional capacity of the municipality.

The Turn Around Strategy resulted in exceptional achievements which were reported over the years and which the our ratepayers, consumers and other stakeholders experienced as well.

Towards the end of the term it however became increasingly evident that the municipality reached a peak in performance and that it was losing some momentum. Reasons for this are:

1. It is possible that several interventions referred to above reached optimum output levels and were no longer enough to take the municipality to higher levels.
2. Institutional Capacity reached a level where it could no longer increase without an escalation in the income levels of the municipality.
3. The election of a new Council required a temporary deviation of our focus as an Administration.

The bottom line is that the Financial Sustainability of the Municipality became the greatest future challenge and obstacle towards growth, development and improvement. It became clear that unless we found solutions to some financial sustainability challenges we will be unable to take the municipality into

the required higher level of performance. We accepted the challenge and as early as August 2011 Council adopted a comprehensive Financial Sustainability Turn Around Strategy at its annual strategic break away session. This was supposed to serve the same purpose as the Service Delivery and Organisational Development Turn Around Strategy adopted by the Council at the beginning of the previous term. This 42 page document identified a wide range of opportunities through which the Financial Sustainability of the Municipality could be improved and some of the more critical objectives aim to achieve the following:

1. Coping with a fundamentally flawed demarcation of the municipality. A model which did not take into consideration the financial challenges and back logs in a Town and Community like Grabouw and the financial inability of other towns in our area to support the financial burden to address the said backlogs and poverty in the towns.
2. The relatively low collection of billed debt. No municipality with an average collection rate of 87% can feel comfortable about its financial sustainability.
3. A too narrow rates base. With a population of which an estimated 49 % is classified as Indigent the Municipality will always be under financial pressure. It must be borne in mind that the economy is by and large related to agricultural. The smaller businesses which form the back bone of our effort to kick start the tourism industry and economy in our area find it increasingly difficult to cope with rising costs which includes municipal costs. Many of our ratepayers and consumers are so called pensioners who are severely affected by the current state of the economy and find it increasingly difficult to cope with increasing municipal costs. The rates base needs to be expanded. The municipality fully realises that the current rates base will be unable to secure the financial sustainability of the municipality.
4. To cope with the influx of unemployed, homeless and in many instances semi to unskilled people into our towns. The influx into areas like especially Villiersdorp and Grabouw is placing pressure on our institutional and financial capacity.
5. An outdated National Fiscal Model for Local Authorities. More and more local authorities have reached a point of financial meltdown. Most local authorities are unable to become and remain financially self reliant and it is time that at national level it be accepted that Municipalities have become grand reliant.
6. It is obvious that this municipality cannot afford to buy additional institutional capacity and it will simply now have to increase its capacity output by becoming more productive and innovative.

It has been the intention to shift the focus of myself and that of my Directors to the management of Financial Sustainability as a priority area. However, since then we started experiencing the so called Service Delivery Protest Action in all our towns. The actions moved from town to town and had a serious impact on the stability and normal functioning of the municipality for the past 10 months. Without doubt it caused disruption within the organisation, within our communities, within the business sector and of service delivery in general. We became increasingly more unable to attend to our normal functions and to focus on the financial sustainability challenge. We became more reactive and we have been forced into a crisis management mode. In many instances priorities had to be reviewed and certain services and communities started receiving less attention. In many instances it was not as a result of a deliberate decision or by choice but more as a result of the crisis management situation that gradually developed. It has clearly also impacted on the satisfaction levels of even those communities which have not been involved in the mentioned protest action. We have during the past year noticed a gradual increase in

frustration levels, expectation levels and less tolerance amongst many of our traditional stakeholder partners.

Fortunately we have discovered the developing situation in time and are developing an understanding for how to respond to the current situation. It is the intention of administration to return to basics, to manage the municipality out of its current state of crisis, to address service delivery issues that can and should be rectified and to re- establishes the relationships with our communities and stakeholder partners which we use to enjoy during the previous term.

It is strongly believed that Theewaterskloof Municipality has the ability to also overcome the obstacles that it was faced with during the past year and that it can rely on the support, understanding and cooperation of its communities, consumers and partners in making this area the preferred destination to life in and to invest and conduct business.

Stan Wallace

Municipal Manager

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 INTRODUCTION TO BACKGROUND DATA

The 2011/12 Annual Report reflects on the performance of the municipality for the period 1 July 2011 to 30 June 2012. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

The report aims to provide the reader with an insight into the activities of the municipality during the past year.

1.2.2 POPULATION

The municipality is estimated to account for **44%** or **107 009** of the Overberg District's population in 2009.

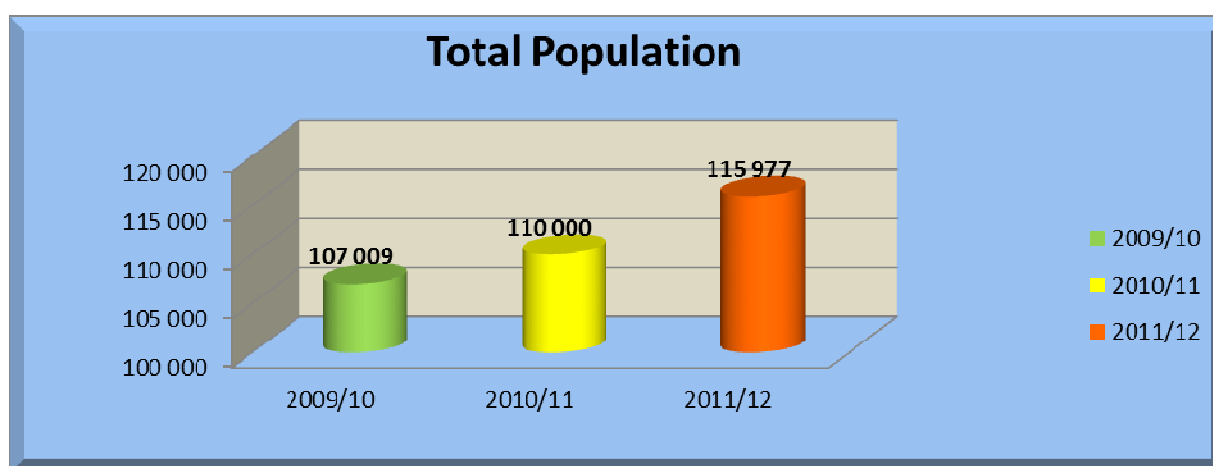
The table below indicates the total population within the municipal area:

2007/08	2008/09	2009/10	2010/2011	2011/2012
103 281	105 875	107 009	110 000	115 977

Table 1: Demographic information of the municipal area – Total population

The population growth for the 2008/09 financial year was **2,5%**, 2009/10 financial year the population growth increased with **1,1%** and with the 2010/11 financial year it is estimated that the population growth has increased by 11% since 2007, indicating an average increase of 2.2% per annum.

The graph below illustrates the yearly population growth for the municipal area.



Graph 1: Total Population Growth

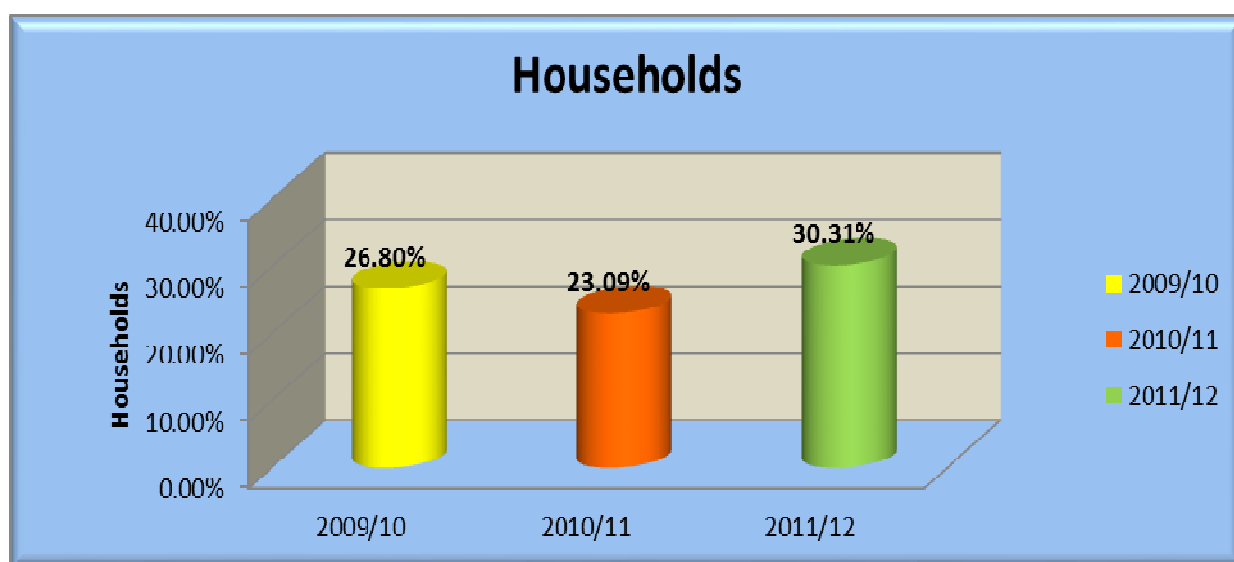
1.2.3 HOUSEHOLDS

The total number of households within the municipal area increased from **22906** households in 2010/11 financial year to a total of **24390** households in 2011/12 financial year.

Households	2009/10	2010/11	2011/12
Number of households in municipal area	22056	22906	20312
Number of indigent households in municipal area	5911	5289	6157
Percentage of indigent households in municipal area	26.80%	23.09%	30.3%

Table 2: Total number of households

The graph below shows that the total number of indigent households increased from 5289 in 2010/11 to 6157 in 2011/12 financial year.



Graph 2: Total % indigent households within the municipal area

1.2.4 SOCIO ECONOMIC GROWTH

The socio-economic information for the municipal area is as follows:

Housing Backlog	Unemployment Rate (%)	Households with No Income (%)	Average pass rate for numeracy and literacy (%)
8 467	42	31	77.6

Table 4: Socio Economic information

1.2.5 OVERVIEW OF NEIGHBOURHOODS

NODE/ TOWN	WARDS	AREAS	Number of Indigents	Number of Non Indigent	Total Households	Percentage Indigent
Riviersonderend	1	Riviersonderend Town	361	1627	1988	18%
Genadendal	2	Genadendal, Bereaville & Voorstekraal	329	1995	2324	14%
Greyton	2	Boesmanskloof, Heuwelkroon,	117	1787	1904	6%
Caledon	3	Myddleton, Bergsig, Uitsig, part of Caledon Town, Station & Industrial Area	497	2572	3069	16%
	4	Tesselaarsdal & part of Caledon Town	47	323	370	13%
Villiersdorp	5	Elandskloof, High Noon, Helderstroom and part of Villiersdorp Town	1162	2789	3951	29%
	6	Theewaterskloof Dam Estate, Dennehof, Nuwedorp, Informal settlements and part of Villiersdorp Town				
Botrivier	7	Botriver, Lebanon & De Rust	146	1351	1497	10%
Grabouw	8	Rooidakke, City council, Jagersvlakter, Elgin Timbers, Proefplaas, Applegarth, Eikenhof, Country Club	2983	4988	7971	37%
	9	Nuweberg, Graymead, Vyeboom				
	10	Elgin, The Valley, Monteith &				

Theewaterskloof Local Municipality Annual Report 2011/12

		Arieskraal				
	11	Pineview, Beverley Hills, Waterworks & Nuwe Dorp				
	12	Xhola Naledi, Hillside, Oudebrug & Appelthwait				
	13	Grabouw CBD, Klipkop, Molteno Park, Elfco, Melrose Place, Siteview, Dennekruin, Industrial Area, Palmiet				
TWK	All	Farms		1316	1316	0
Total			5642	18748	24390	
Table 5: Overview of Neighbourhoods						

1.2.6 NATURAL RESOURCES

Major Natural Resource	Relevance to Community
Theewaterskloof dam	Recreation/drinking water
Greyton Nature reserve	Recreation/conservation/preserve biodiversity
Villiersdorp Nature reserve	Recreation/conservation/preserve biodiversity
Caledon Nature reserve	Recreation/conservation/preserve biodiversity
Shaws pass Nature area	Conservation/preserve biodiversity
Riviersonderend Nature area	Recreation/conservation/preserve biodiversity

Table 6: Overview of Neighborhoods

1.3 SERVICE DELIVERY OVERVIEW

In order to enhance the standard of service delivery within the communities and at the same time achieve customer satisfaction by managing their expectations, the Municipality concluded Service Level agreements with its communities. The aim was to set uniform, realistic, reasonable, and affordable service levels for the delivery of basic services within all towns and to monitor performance collectively and take remedial steps or action(s).

As is required by Local Government, Theewaterskloof Municipality has defined its minimum service levels for its services. This has also allowed for defining of our service backlogs based on the set of minimum standards as prescribed by National Government.

Some of the challenges faced by the municipality to ensure that our backlogs are addressed:

- ✓ The delivery of services in rural areas (farms) and in areas such as Klein Begin, Lebanon and Nuweberg which fall outside the municipal jurisdiction. The issues experienced here revolve around ownership and affordability.
- ✓ The immigration of people into Towns such as Villiersdorp and Grabouw make it difficult to manage the informal settlements with respect to the provision of services.

1.3.1 PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

The table and graph below gives an indication of the proportion of households with minimum levels of basic services.

Proportion of Households with minimum level of Basic services				
	2008/09	2009/10	2010/11	2011/12
Electricity service connections	100%	100%	100%	100%
Water - available within 200 m from dwelling	100%	98%	100%	100%
Sanitation - Households with at least VIP service	100%	100%	98%	97.2%
Waste collection - kerbside collection once a week	100%	100%	100%	99%

Table 7: Proportion of Households with minimum level of Basic Service

The following table indicates the municipality's performance in terms of the National Key Performance Indicators as required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001.

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2009/10	2010/11	2011/12
<u>Basic Service Delivery</u>			
(a) The percentage of households with access to basic level of water & sanitation	99	99	100
(b) The percentage of households earning less than R 1100 per month with access to free basic services	53	23.09	23.1%
(c) The percentage of households with access to basic level of electricity	10.9	10.5	10.5
(d) The percentage of households with access to basic level of solid waste removal	63	62.4	99

Table 8: Basic Service Delivery KPA & Indicators

1.4 FINANCIAL HEALTH OVERVIEW

Theewaterskloof Municipality is considered amongst the 50 largest municipalities in the country which includes the metros and the cities. It is the only municipality that can truly claim rural status due to its agricultural based economy.

Four years ago the financial viability of the municipality was identified as its single most critical strategic risk over the longer term. It was then already realized that the local economy of the municipality was unable to secure the financial viability of the municipality. In order for the municipality to expand its rates base it had to grow its local economy. Accordingly Local Economic Development was identified as the most important cure to the Financial Sustainability risk of the municipality.

It was also realized that in many ways Theewaterskloof on its own would not be able to rescue its sustainability and that central government fiscal policy had to be reviewed and greater central government funding to local government is required to secure effective and efficient local government and service delivery.

The following challenges have been identified as having a hampering effect on the municipality's role of providing basic services to its community:

The high level of unemployment in the area

The official unemployment rate (using the broader definition) is just under 40%. Local estimates for out-of-season unemployment are even higher.

Constraints in the bulk services infrastructure capacity.

This is one of the biggest blockages to economic growth, especially in Caledon and Grabouw, and one of the biggest barriers to the retention of disposable income in the local economy.

Poverty and Narrow Rate base

There is extensive poverty in the area, with 30.31% of households registered as indigent.

Ability of the existing private sector

This is one of our greatest draw backs which indicates that few of those in the private sector are considering expansions or have the ability to initiate expansions that will have a significant impact on the growing of our economy.

The influx of unemployed, unskilled and homeless people

This is probably the most critical contributor towards the sustainability challenge of our economic and financial capacity. Equitable Share is not sufficient to assist in relieving some of the pressure which this places on the municipality.

The National, Provincial and Regional economy

The strength of the Rand and the weak international economy is having a serious impact on our agricultural sector. Furthermore, the current account deficit and downgrading of SA's credit rating will place further pressure on National Government resources.

Unfunded mandates

Housing is placing a huge burden on a municipality, especially taking into consideration the impact it is having on bulk service capacity and infra-structure. Currently more than 20% of the Assessment Rates Income is used to finance "unfunded" administrations within TWK

Seasonal workers

Seasonal workers are annually recruited from the Easter Cape and across the borders. In many instances these workers remain in the municipality creating additional burden on service delivery.

Expectations of the Community

The sustainability challenge is not fully understood by our beneficiaries, communities and the structures representing them.

The following initiatives are in place to address some of these challenges:

Service Rationalization -

The ABC (Activity Based Costing): Costing unit has been established and tariff re-engineering was conducted

Revenue optimization -

There has already been a dramatic improvement in the TWK's recovery rates i.e. from less than 70% to just under 90%.

Debtor classification (assist in understanding debtor types) increased from 5 to over 50 categories.

Prepaid water and electricity meters being installed.

Data cleansing (Already millions of rand's additional revenue identified).

LED-

An annual SMME workshop was conducted with emerging Contractors/entrepreneurs to expand the rate base.

A partnership was established with ABSA where a two day workshop was held with contractors and entrepreneurs. The key focus areas of the day were to create an interactive two day workshop and to address the following:

- ✓ Tax and tax related matters e.g. Tax clearance
- ✓ Supply Chain management training – how to participate in procurement of the Municipality.
- ✓ Non - traditional funding solutions for businesses through the Private Sector and Government
- ✓ Non-financial support e.g. productivity analysis and assistance
- ✓ Basic Business skills

Financial Discipline and Expenditure Management -

Improved Procurement and Inventory Management & Control

Investment Management -

Investments have increased from less than R10m to R25m during the past five years.

1.4.1 FINANCIAL OVERVIEW

R' 000			
Details	Original budget	Adjustment Budget	Actual
Income	332 491 272	344 161 426	303,100,675
Grants	93 337 731	103 784 731	110,270,199.00
Taxes, Levies and tariffs	196 712 448	197 617 311	166924745
Other	42 441 093	42 759 384	25905731
Sub Total	332 491 272	344 161 426	303,100,675
Less Expenditure	351 393 825	354 600 478	323,811,384
Net Total*	(18 902 553)	(10 439 052)	(20,710,709)

Table 9: Financial Overview

1.4.2 OPERATING RATIOS

Detail	%
Employee Cost	34%
Repairs & Maintenance	15%
Finance Charges & Depreciation	4%

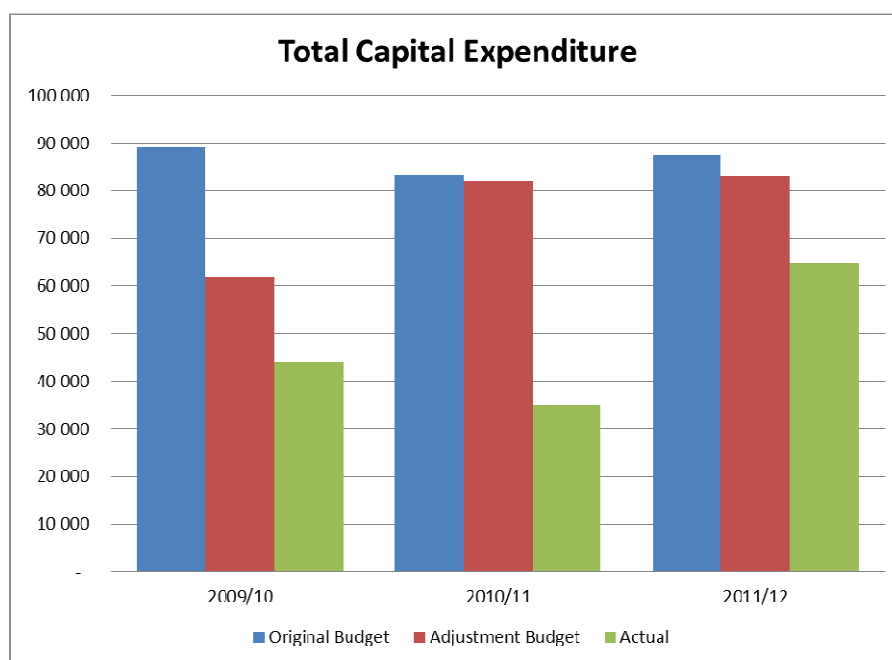
Table 10: Operating Ratios

- The norm for Repairs and maintenance of the Total Operating Budget is 10%. Spending above 10% indicates that the Municipality is servicing its assets adequately and service delivery assets are maintained in order to delivery services.
- The norm for Employee Related Cost of the Total Operating Budget is 35%. The 34% attained is within the National Norm.
- The norm for Finance charges of the Total Operating Budget is 7.5% and must not be higher or it will put the Municipality's cash flow under pressure.

1.4.3 TOTAL CAPITAL EXPENDITURE

			R'000
Detail	2009/10	2010/11	2011/12
Original Budget	89 103	83 052	87 304
Adjustment Budget	61 711	82 043	82 951
Actual	44 142	35 021	64 898

Table 11: Total Capital Expenditure



Graph 3: Total Capital Expenditure

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The objective of Organisation Development is to improve the municipality's capacity in order to give effect to its service delivery mandate. This includes improved more effective communication, more effective decision processes, more appropriate leadership style, improved skill in dealing with conflict, and higher levels of trust and cooperation among staff members. The workplace skills plan of the municipality has as its main aim the achievement of cost effective and efficient service delivery as well as:

1. Providing learning opportunities for staff as well as members of the community through our learnership programmes
2. Providing opportunities for each staff member to develop to his / her full potential.
3. Seeking to increase the effectiveness of the municipality in terms of all of its strategies, objectives and goals.
4. Providing opportunities for staff to influence the way in which they relate to work, the municipality, and the environment.

CHAPTER 2

GOVERNANCE

CHAPTER 2: GOVERNANCE

Good governance has 8 major characteristics namely, participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive which follows the rule of law. Through this corruption is minimized, the views of minorities are taken into account and the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

The council performs both legislative and executive functions, with focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and the Mayoral Committee. Council's primary role is to debate issues publicly and also to facilitate political debate and discussion. Apart from their functions as decision makers, councilors are also actively involved in community work as well as various social programmes in the municipal area.

2.1.1 POLITICAL STRUCTURE

POLITICAL STRUCTURE	
MAYOR: Alderman: C.B. Punt	Function <ul style="list-style-type: none">• Is the Executive and Political Leader of the Municipality• Is the Social and Ceremonial Head of Council• Is the Chief Advisor of Council• Responsible for identifying the needs of the Municipality• Must monitor the Administrator• Supervises the delivery of services• Report to Council• Budgetary responsibilities
DEPUTY MAYOR: Cnlr: P Stanfliet	The Deputy Mayor acts in the absence of the Executive Mayor

SPEAKER: Cnlr: C Vosloo	Is the chairperson of the Municipal Council and as such is authorized to dictate the proceedings during council meetings, though subject to the order rules, common law and constitutional prescripts. The Speaker is accountable to and reports to the Municipal Council. The Speaker must also ensure compliance with the Code of Conduct.
CHIEF WHIP: M Hector (DA) C November (ANC)	Leads the Caucus meetings before Council meetings.
MAYORAL COMMITTEE: M Tshaka G Carelse P Stanfliet N De Wet K Papier	Portfolio Chair: Corporate Services Portfolio Chair: Development Services Portfolio Chair: Technical Services Portfolio Chair: Finance Services Portfolio Chair: Operations Services The Mayoral Committee assist the Executive Mayor , serve him/ her with advice and take decisions with the Executive Mayor in respect of designated powers

Table 12: Political Structure

2.1.2 COUNCILLOR PROFILE

Below is a table that categorised the councillors within their specific political parties and wards:

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Alderman C B Punt	Fulltime	Executive Mayor	DA	88%	12%
Cnlr C Vosloo	Fulltime	Speaker	DA	100%	0%
Cnlr P U Stanfliet	Fulltime	Technical Services	Ward 7 DA	100%	0%
Cnlr M Tshaka	Fulltime	Corporate Services	Ward 13 DA	88%	12%
Cnlr K Papier	Fulltime	Operational Services	Ward 3 DA	100%	0%
Cnlr G Carelse	Fulltime	Development Services	COPE	100%	0%
Cnlr N De Wet	Fulltime	Financial Services	Ward 5 DA	100%	0%
Cnlr N Pieterse	Part Time	Corporate Services	Ward 9 DA	100%	0%
Cnlr M Nongxaza	Part Time	Corporate Services	NICO	82%	18%
CnlrJ Nellie	Part Time	Corporate Services	Ward 6 ANC	82%	18%
Cnlr F Mankayi	Part Time	Corporate Services	ANC	82%	18%
Cnlr M Koegelenberg	Part Time	Financial Services	Ward 4 DA	100%	0%
Cnlr M Mathews	Part Time	Financial Services	Ward 11DA	100%	0%
Councilor S Witbooi	Part Time	Financial Services	ANC	94%	6%
Cnlr J Hendricks	Part Time	Financial Services	ANC	94%	6%
Cnlr M Plato	Part Time	Development Services	Ward 10 DA	94%	6%
Cnlr I Sileku	Part Time	Development Services	DA	94%	6%
Cnlr P de Wet	Part Time	Development Services	ANC	88%	12%

Theewaterskloof Local Municipality Annual Report 2011/12

Cnlr U Sipunzi	Part Time	Development Services	Ward 12 ANC	88%	12%
Cnlr K Tiemie	Part Time	Technical Services	Ward 1 DA	94%	6%
Alderman C November	Part Time	Technical Service	ANC	76%	24%
Cnlr C Thembani	Part Tim	Technical Service	Ward 8 ANC	94%	6%
Cnlr J Swartz	Part Time	Operational Services	NNP	100%	0%
Cnlr M Hector	Part Time	Operational Services	Ward 2 DA	100%	0%
CnlrA Cupido	Part Time	Operational Service	ANC	100%	0%

Table 13: Councilor Profile

2.1. POLITICAL DECISION TAKING

The table below gives an indication of the number of council meetings and percentage of council attendance:

Meeting dates	Number of reports submitted	Percentage Council Meetings Attendance	Apologies for non-attendance
28 July 2011	12	100	0
08 September 2011	11	100	0
15 September 2011	8	92	8
28 September 2011	3	92	8
27 Oktober 2011	22	88	12
08 December 2011	17	96	4
25 Januarie 2012	9	92	0
22 Maart 2012	4	88	12
29 Maart 2012	7	96	4
24 Mei 2012	9	92	8
Special Council Meetings			
11 August 2011	1	96	4
06 Januarie 2012	2	72	28
29 Februarie 2012	2	88	12
11 April 2012	2	92	8
13 Junie 2012	4	96	4
20 Junie 2012	1	92	8

Table 14: Council Meetings and Attendance

2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team.

A key priority of the Management Team has been to establish a solid leadership core within the organisation which permeates through to middle and supervisory management levels. The Management Team Structure is outlined in the table 17 below:

Name of Official	Department	Performance agreement signed
		(Yes/No)
Horace Wallace	Municipal Manager	Yes
Joseph Isaacs	Director Corporate Services	Yes
Stephen Jacobs	Director Finance	Yes
Monwabisi Gxoyiya	Director Development	Yes
Jan Barnard	Director Operations	Yes
Conrad van Heerden	Director Technical Services	Yes

Table 15: Administrative Governance Structure

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL STRUCTURES

Intergovernmental structures give effect and concrete expression to inter departmental communication.

The following IGR structures were established within the municipality that deal with transversal matters:

IGR Structures/Working Group	Departments Involved	Issues Experienced
River Rehabilitation	DWA; BOCMA and Cape Nature	Inter-sectoral working relationship is difficult. Sectors are adamant on the implementation of their own policies and process and are not coming to common ground to ensure the implementation of the task at hand
Land Transfers	National and Provincial departments of Public Works	Major delays in the process of Land Transfers and Infrastructure upgrades in Towns such as Lebanon and Nuweberg as well as land for housing in Grabouw
Land use/EIA/Basic Assessment applications	Department Environmental Affairs	Major delays in approval of Land Use Applications
Social sector initiatives (ECD, Health, Education, ect)	Departments Local Government, Home Affairs, Social Development, Education, DEADP, Agriculture, Health, Defense, Rural Development and SALGA	Inadequate participation in the IDP process to ensure that issues/needs are incorporated within the APP's
A new IGR forum will soon be established with respect to the Investment Tenders (Private sector investment into the Municipality). Focus of this forum will be on planning, infrastructure and land transfers		

Table 16: IGR Structures

With respect to the IDP process, the Municipality engages with sector departments through the IDP Indabab and LGMTEC structures.

The Thusong mobile initiative plays an important role as an interactive style of governance, which creates more space for public participation and involvement around interactive implementation of government's Programme of Action.

The Thusong mobile is a forum for enhancing dialogue and interaction between senior government executives and ordinary people and provides an opportunity for government to communicate its programmes and progress directly to the people.

The table below indicates the dates of Municipal Mobile Thusong initiatives:

Date of events	Town	Participating Departments
04/05 August 2011	Botrivier	Departments Home Affairs, Labour, Social Development, Health, Agriculture, SASSA, Local Government & Housing, SARS, SAPS, IEC & TWK Muni Finance
29/30 May 2012	Grabouw	

Table 17: Thusong Mobiles

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA S15 (b): requires a municipality to establish and organise its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

Theewaterskloof Municipality makes use of the Ward Committee structure with respect to public accountability and participation,

The purpose of the Ward Committee structure is to assist Ward Councilors with organizing, consulting, spreading of information to encourage participation from the residents within the Wards.

The Ward Committee:

- Is an advisory Body.
- Is a representative structure.
- Is independent; and
- Must be impartial and perform its functions without fear, favour or prejudice.

There are 13 Wards within the Theewaterskloof Municipal area.

2.4 PUBLIC MEETINGS

Theewaterskloof Municipality engagements in different methodologies to ensure adequate public participation, which include:

- Tradition public meetings with wards committees, Town advisory forums, Service level agreement advisory forum (SLAAF), stakeholder groupings ect
- Surveys (baseline assessments)
- Monthly news letters

Such participation is required in terms of:

- The preparation, implementation and review of the IDP and budget;
- Establishment, implementation and review of the performance management system;
- Monitoring and reviewing of the performance which include the outcome and impact of such performance; and
- Setting of service level standards
- Information sharing which relates to capital projects implementation

Theewaterskloof Municipality utilises its ward committees and Town Advisory forums as the primary consultative structure and access point to ensure public participation and accountability.

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
IDP/ Budget Public Participation	27 October 2012 – 17 November 2012	15	22	1054 community members attended 13 Ward Meetings	Public Meetings and afterwards via newsletters
Updating Community on status of project: 438- Hill side	11 August 2011	1	2	480	Public Meetings
Election of housing Committee: Hill Side/ Snake Park	01 December 2011	1	4	450	Public Meetings
Waterworks squatter camp: Informing the community about the survey to be done in the area	18 January 2012	1	2	180	Group and individual consultations with community members

Theewaterskloof Local Municipality Annual Report 2011/12

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Dates and manner of feedback given to community
Street naming: Rooidakke	29 January 2012	1	2	250	The concept layout plan with street names placed on the Notice board in the site office for everyone to see.
Street names: De Heights 138	13 March 2012	1	1	129	Repeated Public Meetings and the committee members were given the concept street names for their knowledge
Street names: Rooidakke 434	18 March 2012	1	2	579	Repeated public meeting and placing of a concept street name layout plan
Deed of sale information meeting: Smarties Town	20 March 2012	1	3	100	One on one consultations with the affected community members
Provincial Assistance on matter that could not be answered: Hill Side	3 April 2012	1	1	300	Regular reports were made to the committee by the province
Reporting about the problems in the project that need attention	17 May 2012	1	1	380	Report back meeting
Reallocation of Pine View resident(train houses)	11 June 2012	1	2	21	One on one consultation
Information about the beginning of the new project:1169, Rainbow Project-in Zola	25 June 2012	1	2	500	Further meeting were held with Committees and they in turn reported back the community

Table 18: Public Meetings

2.4.1 WARD COMMITTEES

The ward committee is in the main a service delivery management mechanism. This body guides the Town Manager in terms of local service delivery needs, priorities, standards and also acts as the representative monitoring body through which the local community can monitor service delivery implementation, progress and general performance. The successful functioning of the Town Management model is to a large extent reliant on the successful functioning of the Ward Committee system.

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1 - Riviersonderend	K Tiemie	yes	5	2	none
2- Greyton & Genadendal	M L Hector	yes	5	2	none
3- Caledon	K Papier	yes	5	2	1
4- Caledon	M Koegelenberg	yes	5	2	none
5- Villiersdorp	N De Wet	yes	5	2	none
6-Villiersdorp	J Nellie	yes	5	2	none
7-Botrivier	P U Stanfliet	yes	5	2	none
8-Grabouw	C Thembani	yes	5	2	none
9- Grabouw	N Pieterse	yes	5	2	none
10- Grabouw	M Plato	yes	5	2	none
11- Grabouw	M Mathews	yes	5	2	none
12- Grabouw	U Sipunzi	yes	5	2	none
13- Grabouw	M Tshaka	yes	5	2	none

Table 19: Functionality of Ward Committees

The Local Government: Municipal Structures Act, 1998 provides for the establishment of ward committees.

The primary function of a ward committee is:

- To assist the ward councillor in understanding the needs and the views of the community;
- To be a formal communication channel between the community and the municipal council;
- To raise issues of concern about the local ward to the ward councillor and;
- To make sure ward residents have a say in decisions, planning and projects that the council or municipality undertakes which have an impact on the ward.

A ward committee should consist of up to ten members who serve as volunteers and may represent a certain sector. Examples of such sectors are:

- women's groups or;
- ratepayers associations;
- geographic area
- Community within the ward.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

Table 20: IDP Participation and Alignment Criteria

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.6 RISK MANAGEMENT

The Council has committed the Theewaterskloof Municipality to a process of risk management that is aligned to the principles of good corporate governance, as supported by the Municipal Finance Management Act (MFMA), Act no 56 of 2003 and other legislation applicable to local government.

Structured Risk Management is recognized as an integral part of responsible management and the Municipality therefore adopts a comprehensive approach to the management of risk. The features of this process are outlined in the Municipality's Risk Management Strategy. It is expected that all departments / sections, operations and processes will be subject to the risk management strategy. It is the intention that these departments / sections will work together in a consistent and integrated manner, with the overall objective of reducing and avoiding risk, as far as reasonably practical.

Effective risk management is imperative to the Municipality to fulfill its mandate, the service delivery expectations of the public and the performance expectations within the Municipality.

The responsibility to ensure effective management of risk in the Theewaterskloof Municipality rests with all employees. Our commitment to risk management is an expression of our commitment to the Batho Pele principles.

The Municipality's risk appetite is set at 12, which means that all risks with a rating of 12 and higher requires a Treatment and Action Plan. The top five (5) risks of the Municipality are indicated in the table below:

Risk Description	Mitigation Guidance	Controlled Risk Rating
Slow or No Recovery of Potential Revenue	Debt collection & Credit control plays a significant role in this risk. Whenever a debtor moves past the 30day margin services should be stopped until the account is settled in full. Also where arrangements are not met the same route should be followed as this has a negative influence on the cash flow of the municipality.	16
Resolutions not Implemented	Resolutions to have timeframes and to be allocated per champion and have clear responsibilities for other implementation agents. Resolutions not implemented may lead to possible audit qualifications as well as unnecessary delays and queries.	16
Excessive Expectations in relation to Institutional capacity	The excessive gap between the expectations of key stakeholders of the municipality and the institutional capacity of the municipality in addressing such expectations. Ensure that mechanisms already introduced are maintained and monitored and refined in order to narrow the gap even further. Assess effectiveness and efficiency of such mechanisms and review and update on continuous basis.	15
Influx of Unemployed, unskilled and Homeless	The uncontrolled influx of unemployed and unskilled indigent people into our area and which is already one of the poorest in the Western Cape. The influx and high % of the unemployed and unskilled indigent people population who are not just adding pressure on our service delivery institutional capacity but are also	12

people	<p>unable to contribute significantly towards the revenue base of the TWK.</p> <ul style="list-style-type: none"> ✓ Establishing more permanent work through LED ✓ Finding joint solutions and involving the agricultural sector and local labour which will reduce the need for the recruitment of seasonal workers from elsewhere ✓ Skills improvement programs ✓ Launch SMME promotion initiative ✓ Find solutions to the successful integration of incoming indigent people into existing communities and establishing a greater sense of belonging, joint ownership for local values and principles 	
Red Tape (External in context of provincial Departments)	The red tape and inhibiting regulations of Provincial Departments and more specifically the Department of Environmental Affairs. TWK Delegation to meet with Department of Environmental Affairs to discuss delays in current developments as it has a negative financial implication on the economy of TWK. (Flight Park, Extension 12, Golf Estate etc.)	12

Table 21: Top Five Risks

2.7 ANTI CORRUPTION AND FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, section 112(1)(m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism as well as unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

Theewaterskloof Municipalities **Anti-Corruption Policy** was **adopted** by council in **November 2008** and **reviewed on 28 October 2011**.

One of the main purposes of an Anti-Corruption policy is to ensure that the Municipality is in compliance with the Municipal Systems Act, Act No. 32 of 2000 which requires the Municipality, amongst other things to develop and adopt appropriate systems and procedures that contribute to effective and efficient management of the municipality and its resources.

2.7.1 AUDIT COMMITTEE

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- Effective governance.

The Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003, Local Government Municipal and Performance Management Regulation, 2001 and the office of the Auditor-General:

- To advise the Council on all matters related to compliance and effective governance;
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual DORA and other applicable legislation;
- Respond to the council on any issues raised by the Auditor-General in the audit report;
- To review the quarterly reports submitted to it by the internal audit;
- To evaluate audit reports pertaining to financial, administrative and technical systems;
- The compilation of reports to Council, at least twice during a financial year;
- To review the performance management system and make recommendations in this regard to Council;
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimized;
- To review the annual report of the municipality;
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.

2.7.2 MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

The following reports were submitted to the Audit committee for notification:

Annexure C

2.8 BY-LAWS

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement by-laws and policies.

The following bylaws were approved by council:

Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Stormwater Management By-law	Approved by Council on 15 September 2011	Yes	By-law was advertised for comments on 17 Julie 2012	No	N/a
Indigent Policy	May 2012	yes		No	
Credit Control & Debt Collection	May 2012	yes		No	

Table 22: By-Laws

2.9 POLICIES

Name of Policy	Council Resolution	Date Adopted
Integrated Waste Management Plan	SC62/2011	15 September 2011
Approval of new SDF for Theewaterskloof Municipality	SC63/2011	15 September 2011
Review of Performance Management system policy	SC65/2011	15 September 2011
Adoption of 2030 strategy for Theewaterskloof area	SC66/2011	15 September 2011
Proposed policy on House Shops	SC02/2012	11 April 2012
Policy and Action Plan for managing problem baboons within area of TWK jurisdiction	SC03/2012	11 April 2012
Built Environment Support Programme	SC12/2012	20 June 2012
Water Supply Development Plan	SC13/2012	13 June 2012

Theewaterskloof Local Municipality Annual Report 2011/12

Policy on the establishment and functioning of Ward Committees	SC14/2012	13 June 2012
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Table 23: Policies

2.10 WEBSITES

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipal website	Date Published Yes/ No
Current annual and adjustments budgets and all budget-related documents	June 2011
All current budget-related policies	June 2011
The previous annual report (10/11)	10 April 2012
All current performance agreements required in terms of section 57 (1) (b) of the Municipal Systems Act (09/10)	August 2011
All service delivery agreements (10/11)	No
All long-term borrowing contracts (10/11)	Yes
All supply chain management contracts above a prescribed value (give value) for 10/11	Published Monthly
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 10/11	Published Annually
Contracts agreed in 10/11 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	n/a
Public-private partnership agreements referred to in section 120 made in 10/11	n/a
All quarterly reports tabled in the council in terms of section 52 (d) during 10/11	Published Monthly

Table 24: Website Checklist

MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

INTRODUCTION

This chapter will provide information on the functional and strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical.

The functional performance of the municipality provides comprehensive information on the implementation of the SDBIP and relevant Functional Area reporting schedules.

The functional breakdown per Directorate is as follows:

Directorate	Functions
Corporate Services	LEGAL ADVISORY Both the Director and deputy - Director Corporate Services are the Legal Officers for the organisation and provide legal support to all Directorates
	ADMINISTRATION <ul style="list-style-type: none"> • Give administrative support to the Council and its political structures • Corporate support for other Directorates and Town offices • Provision of secretariat services to all directorates • The management of the municipality's incoming and outgoing mail including the distribution and dispatch of correspondence to and from the public • The management of access to records • The management of Security and Cleaning Services • The management of the Switchboard
	INFORMATION TECHNOLOGY The Information Technology department serves as support function for the whole of the organization: <ul style="list-style-type: none"> • Maintaining the IT and communication Infrastructure • Facilitate the integration of information systems • Establishing and maintaining proper backup procedures and systems • Ensuring information security
	HUMAN RESOURCES The Human resource department also provides a support function to all directorates, towns, staff and political executive leadership within the municipality

	<p>The overall objective of this unit is to transform the organisation into an effective developmental organization by:</p> <ul style="list-style-type: none"> • Ensuring a skilled workforce through training and selection • Ensuring sound HR administration • Ensuring an informed labour force by practicing sound labour relations • Ensuring a sound organisational structure
Finance	<p>Expenditure and Supply Chain Management</p> <ul style="list-style-type: none"> • Salaries: Implementation of approved payroll, paying of salaries, allowances and accounting for payroll implementation • Creditors: Payment and recording of creditors' payments and reconciliations • Supply Chain Management: Responsible for the Administration and Management of Procurement of goods and services (i.e. Acquisition Management in particular) • Bank Reconciliation • Administration and Management of Investments • Administration and Management of Loans • Maintain Professionalism, Honesty, Integrity and Internal Controls <p>Revenue Section</p> <ul style="list-style-type: none"> • Facilitation and application for Municipal Services • Debtors Billing Administration and Management • Meter Reading • Administration of Clearance Certificates • Rendering of Monthly Consumer / Rates Debtors Accounts • Debtors Customer Care and Query Administration • Receipting and bank revenue management • Credit Control, Debt Collection and Indigents Management • Maintain Professionalism, Honesty, Integrity and Internal Controls <p>Budget Office</p> <ul style="list-style-type: none"> • Budget • In-year Reporting • Annual Financial Statements, • Budgetary Management and Control • Asset Management • Insurance Management • Costing Services (commencing in September 2009) • Financial Viability • Co-ordinate Financial Policy Formulation • Financial Management Workshops under leadership of CFO

	<ul style="list-style-type: none"> •Maintain Professionalism, Honesty, Integrity and Internal Controls
Development	<p>INTEGRATED DEVELOPMENT PLANNING</p> <p>This department provides a unique support service to all departments, community and council. It is responsible for the coordination and management of the IDP process, Organisational Performance Management, Annual Reporting, Service Delivery and Budget Implementation Plan, and Social Development</p>
	<p>LOCAL ECONOMIC DEVELOPMENT (LED) AND TOURISM.</p> <ul style="list-style-type: none"> •Create an enabling environment for economic development •Increase economic opportunities for people •Promote intergovernmental collaboration •Build local Capacity •Encourage PPP in Local economic Development •Monitor and evaluate LED strategy. •Capacitate SMME's
	<p>HOUSING AND INTEGRATED HUMAN SETTLEMENT</p> <p>The function of this department is to facilitate, manage and maintain low cost housing development within the Theewaterskloof municipality</p>
	<p>TOWN PLANNING /GIS & BUILDING CONTROL</p> <p>The role of the Town Planning section is to implement Council's Planning Instruments, Plans and Policies to preserve and promote Theewaterskloof physical environment and social and economic welfare of the community</p>
	<p>PROPERTY MANAGEMENT</p> <p>The Property Management section has to ensure that Municipal owned immovable assets are managed efficiently, effectively and economically and are dealt with in a manner which will ensure the maximum benefit to the municipality and the community</p>
Operations	Responsible for the day to service delivery within all Theewaterskloof Towns
Technical Services	<p>WATER DISTRIBUTION AND TREATMENT</p> <p>(Supply potable water in accordance with (SABS 241) to the residents within its jurisdiction. In terms of Schedule 4B of the Constitution: "Water and Sanitation Services limited to potable water supply systems")</p>
	<p>ROADS</p> <p>The Theewaterskloof Municipality is responsible for the roads and storm water reticulation within the towns of the WC031 established municipal area. The Roads and Stormwater Division functions as a division on its own headed by the Assistant manager of each town. This unit has 85 trained technical, artisans and other operational staff</p>
	<p>ELECTRICITY DISTRIBUTION</p> <p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <ul style="list-style-type: none"> •The effective and efficient distribution and reticulation of energy in the following

	<p>towns, Caledon, Villiersdorp, Greyton and Riviersonderend. Grabouw, Genadendal, Tessaarsdal, Botrivier and Middleton reside within Eskom jurisdiction.</p> <ul style="list-style-type: none"> • Distribute electricity subject to the license conditions set by NERSA <p>ELECTRICITY/STREET LIGHTING</p> <ul style="list-style-type: none"> • Provide adequate street lighting for urban areas • Maintain/Repair of faulty street lights • Upgrade of existing services as well as new developments <p>These services extend to include Theewaterskloof (Caledon, Greyton, Riviersonderend and Villiersdorp, but do not take account rural areas such as Tessaarsdal, Botrivier, Grabouw, Genadendal which resides within the jurisdiction of provincial Government).</p>
	<p>WASTE WATER MANAGEMENT (SEWERAGE)</p> <p>Theewaterskloof Municipality provides sewerage collection systems, comprising water borne sewer networks, bucket removal system and vacuum tanker service where necessary, and treats the collected effluent at 7 sewage treatment plants. Further services include the provision and maintenance of communal toilets in informal areas</p>
	<p>SOLID WASTE MANAGEMENT</p> <p>Theewaterskloof municipality is responsible for the day to day operations in every town and for the removal and collection of the waste, cleaning of road reserves and most public open places. There are three Transfer-stations in the Municipal jurisdiction in Grabouw, Villiersdorp and Botriver. Caledon has a licensed waste site but Genadendal, Greyton and Riviersonderend is not permitted yet.</p>
	<p>FLEET MANAGEMENT</p> <ul style="list-style-type: none"> • To manage and maintain all fleet of the municipality • To provide sufficient municipal services to all residence within the municipal boundary
	<p>ENVIRONMENTAL MANAGEMENT</p> <p>Environmental management departments are responsible for overall conserving of conservation areas and the implementation conservation projects. The department is also involved in the cleaning of rivers, invasive vegetation and greening of the Theewaterskloof Municipal area</p>

Table 25: Functional breakdown

COMPONENT A: BASIC SERVICE

This component includes: Water; waste water (sanitation); electricity; waste management, and housing services and a summary of free basic services.

All water services provided by Theewaterskloof Municipality to consumers within the Municipal Management Area are linked to the Municipality's Tariff Policy and Rates Policy with poor households incorporated through TWKM's Indigent Policy. The large number of residents in the lowest income groups (living in informal areas) places a major challenge on TWKM to provide suitable housing. This is particularly true for Bot River, Grabouw and Villiersdorp.

All the formal households in the urban areas of TWKM's Management Area are provided with water connections. Communal standpipes are provided in the informal areas as a temporary emergency service.

TWKM takes note of the fact that communal standpipes represent probably the weakest part of a network's water supply service. Standpipes are often constructed in ways that cannot withstand excessive use (and abuse) and are often neglected in terms of operation and maintenance, adversely affecting the health of its already vulnerable and poor users. Communal standpipes are also used by poor households who normally don't pay for water.

The Overberg Water Board (OWB) operates three rural water supply schemes, namely the Rûensveld West, Rûensveld East and Duivenhoks schemes which supply water to rural areas and some municipal areas over a large part of the Overberg District Municipal area. At present no formalized agreement exists between the TWKM and OWB for its role as the water service provider in the rural areas. In terms of the category B municipal WSA status, the Overberg Water Board will act as a WSP within each municipality, providing water in bulk or to individual users on farms and to several parts of municipalities. Negotiated services agreements should therefore be put in place.

Some of the challenges experienced are:

- Provision of basic services on a sustainable basis.
- Stimulating local economic development.
- Sound management of its financial affairs.
- Strengthening continued community participation in the affairs of Local Government.
- Provision of subsidised / low cost housing.
- Development of a social strategy.
- Growing population, unemployment and poverty.
- Continued reformation in local government.
- Backlog in infrastructure.

3.1 WATER PROVISION

Water is probably the most fundamental and indispensable of natural resources –(fundamental to life, the environment, food production, hygiene and power generation). Poverty reduction and improved water management is inextricably linked. Section 4B of the Constitution lists water and sanitation services limited to potable water supply systems with domestic wastewater and sewerage disposal systems as a local government function. Basic water is defined as 25 liters of potable water per day supplied within 200 meters of a household.

3.1.1 TOTAL USE OF WATER BY SECTOR

Year	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2010/11	0	0	681 444 kl	2 258 288 kl	14.3%
2011/12	0	0	659 798 kl	2 150 265 kl	12.8%

Table 26: Total use of Water by Sector

3.1.2 WATER SERVICE DELIVERY LEVELS

Below is a table that specifies the different water service delivery levels per households in all formal areas for the financial years 2008/09 till 2011/12:

A discrepancy between the 2010/2011 and 2011/2012 financial year exists. The discrepancy is due to lack of accurate data. A water services audit was conducted on the current state of services by the municipality as well as the consultant responsible for the update of the water services plan. The outcome of the survey was compared to the accounts as well as the master plan.

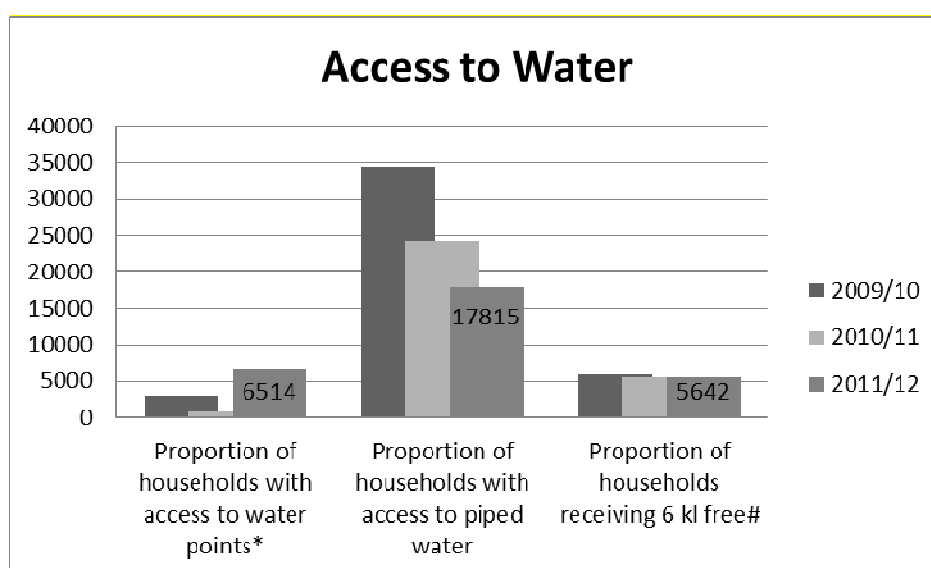
Water Service Delivery Levels				
Households				
Description	Year - 2008/09	Year - 2009/10	Year 2010/11	Year 2011/12
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<i>Water:</i> (above min level)				
Piped water inside dwelling	28 665	34 469	24 283	17 815
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (within 200m from dwelling)	2916	2916	689	6514
Other water supply (within 200m)	0	0	0	0
Minimum Service Level and Above sub-total	31 581	37 385	24 972	24 329
Minimum Service Level and Above Percentage	99%	100%	100%	100%
<i>Water:</i> (below min level)				
Using public tap (more than 200m from dwelling)	0	0	0	0
Other water supply (more than 200m from dwelling)	0	0	0	0
No water supply	374		61	61
Below Minimum Service Level sub-total	374	0	61	61
Below Minimum Service Level Percentage	1%	0%	0%	0%
Total number of households*	31 955	37 385	25 033	24 390

Table 27: Water Service Delivery Levels

3.1.3 HOUSEHOLD-WATER SERVICE DELIVERY LEVELS BELOW MINIMUM

Households - Water Service Delivery Levels below the minimum						
						Households
Description	2008/09	2009/10	2010/11	2011/12		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	31955	37385	25033	0	0	0
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0	0	0	0	0	0
Informal Settlements						
Total households	3865	3865	6514	0	0	0
Households ts below minimum service level	0	0	0	0	0	0
Proportion of households ts below minimum service level	0	0	0	0	0	0

Table 28: Water Service Delivery Levels below minimum



Graph 4: Access to Water

3.1.4 EMPLOYEES-WATER SERVICES

The table below indicates the total number of Water Services Employees.

Employees: Water Services					
Job Level	2010/11	2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	42	46	44	2	4%
4 - 6					-
7 - 9	7	9	8	1	11%
10 - 12					-
13 - 15					-
16 - 18					-
19 - 20					-
Total	49	55	52	3	5%

Table 29: Employees: Water Services

3.1.4 FINANCIAL PERFORMANCE -WATER SERVICES

The table below indicates expenditure within the Water Services area.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,274,348	2,938,560	2,938,560	2,204,287	-0
Expenditure:					
Employees	5,294,164	5,489,127	4,985,913	5,220,335	-5%
Repairs and Maintenance	1,785,529	2,058,940	2,001,500	1,506,918	-37%
Other	21,514,476	25,418,237	22,579,050	30,984,948	18%
Total Operational Expenditure	28,594,169	32,966,304	29,566,463	37,712,201	13%
Net Operational Expenditure	26,319,821	30,027,744	26,627,903	35,507,914.08	15%

Table 30: Financial Performance: Water Services

3.1.5 CAPITAL EXPENDITURE -WATER SERVICES

The table below provides an estimated cost of all water services capital projects approved by council.

R' 000					
Capital Projects	Year 1				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	12 419 612	13 906 747	9 327 230	-33%	43 857 556
Water Upgrading Grabouw	5 526 612	6 326 612	3 495 737	-58%	15 189 520
Bulk Water Botrivier	-	30 341	-169 155	100%	5 039 707
Water Upgrading Riviersonderend	1 693 000	267 157	166 707	-916%	413 911
Prepaid Water Meters	5 200 000	7 205 291	5 833 940	11%	12 388 121
Water Treatment Grabouw	-	77 346	-	0%	10 826 297

Table 31: Capital Expenditure: Water Services

Status of the Capital Projects is as follows:

Grabouw bulk water infrastructure upgrade.

Phase 3a of this project, a new raw water rising main was completed in 2011/12. Construction of phase 3b, a new raw water pumpstation commenced in 2011/12 and will be completed in 2012/13. Phase 3b could only start on completion of phase 3a, resulting in the roll-over of phase 3b.

Upgrading of Riviersonderend raw water supply pipeline

The scope of this project was reduced after an investigation of the existing pipeline revealed that only sections of the pipeline required upgrading. The mountainous and inaccessible terrain traversed by the pipeline necessitated the use of manual labour for excavations and the clearing of vegetation which had overgrown the pipeline. This slowed the progress on the project and resulted in underperformance of the set milestone. The project will be rolled over into 2012/13 for completion.

Largest capital projects with priority are:

Grabouw bulk water supply upgrade.

This project has a High priority (0) and is crucial for the supply of drinking water to the low cost housing developments. It addresses the bulk infrastructure backlog which is required to ensure the continuous roll out of housing developments.

Botrivier bulk water infrastructure upgrading.

This project has a High priority (0) and its motivation is similar to that given for the Grabouw bulk water supply upgrade. It addresses the bulk infrastructure backlog in Botrivier in ensuring the sustained supply of drinking water to the community of Botrivier.

Villiersdorp bulk water infrastructure upgrading.

This project has a high priority (1) and its motivation is also similar to those given for the Grabouw and Botrivier upgrades. Villiersdorp to has a bulk water supply backlog and this project aims to address this by constructing a new reservoir for bulk water storage from which the town will be supplied with drinking water.

Water network replacement.

This project has a high priority (1) due to the age of the existing water supply networks in the ground. In all of Theewaterskloof towns there is a dire need to upgrade these pipelines, since they have reached the end of their useful life. This is evident from the high water main bursts, supply interruptions and water losses being experienced.

3.2 WASTE WATER (SANITATION) PROVISION

Theewaterskloof Municipality works towards providing all households in the towns with a water connection inside the house and connecting all households to a waterborne sanitation system.

All the formal households in the urban areas of TWK Management Area are provided with waterborne sanitation facilities inside the houses (Higher level of service). Ablution facilities are provided in the informal areas as a temporary emergency service.

Below is a table that specifies the different sanitation service delivery levels per households for the financial years 2008/09, 2009/10; 2010/11 and 2011/12:

3.2.1 SANITATION SERVICE DELIVERY LEVELS

Sanitation Service Delivery Levels				
*Households				
Description	Year - 2008/09	Year - 2009/10	Year 2010/11	Year 2011/12
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
<u>Sanitation/sewerage:</u> (above minimum level)				
Flush toilet (connected to sewerage)	18 914	19 785	24 111	11 694
Flush toilet (with septic tank)	5 461	5 247	5 757	5 707
Chemical toilet				
Pit toilet (ventilated)				
Other toilet provisions (above min.service level)				
Minimum Service Level and Above sub-total	24 375	25 032	29 868	17 401
Minimum Service Level and Above Percentage	100%	100.0%	98.4%	97.4%
<u>Sanitation/sewerage:</u> (below minimum level)				
Bucket toilet				
Other toilet provisions (below min.service level)				6514
No toilet provisions			475	475
Below Minimum Service Level sub-total	0	0	475	6989
Below Minimum Service Level Percentage	0%	0.0%	1.6%	28.7%
Total households	24 375	25 032	30 343	24390

Table 32: Sanitation: service delivery levels

3.2.2 HOUSEHOLDS-SANITATION SERVICE DELIVERY LEVELS BELOW THE MINIMUM

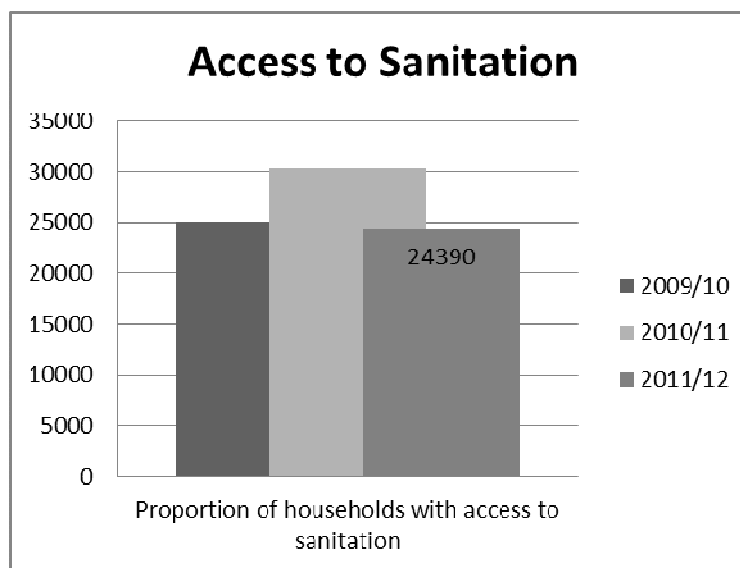
Households - Sanitation Service Delivery Levels below the minimum						
Households						
Description	2008/09	2009/10	2010/11	2011/12		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements	24375	25032	30343	–	–	–
Total households	–	–	–	–	–	–
Households below minimum service level	–	–	–	–	–	–
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%

Theewaterskloof Local Municipality Annual Report 2011/12

Informal Settlements	–	–	–	–	–	–
Total households	3865	3865	6514	–	–	–
Households ts below minimum service level	–	–	–	–	–	–
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%

Table 33: Sanitation: service delivery levels below the minimum

The Graph below illustrates the number of households with access to sanitation



Graph 5: Access to Sanitation

3.2.3 EMPLOYEES-SANITATION SERVICES

The table below indicates the total number of Sanitation Services Employees.

Job Level	2009/10	2010/11			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	41	48	46	2	4%
4 - 6					-
7 - 9	6	6	3	3	50%
10 - 12					-
13 - 15					-
16 - 18					-
19 - 20					-
Total	47	54	49	5	9%

Table 34: Employees: Sanitation Services

3.2.4 FINANCIAL PERFORMANCE -SANITATION SERVICES

The table below indicates expenditure within the Sanitation Services area.

R'000					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,281,967	4,652,640	4,652,640	3,304,197	-0
Expenditure:					
Employees	4,711,380	5,576,882	5,212,593	5,009,020	-11%
Repairs and Maintenance	2,177,174	2,208,230	2,354,566	2,440,952	10%
Other	10,565,526	12,157,738	10,651,564	14,408,651	16%
Total Operational Expenditure	17,454,079	19,942,850	18,218,723	21,858,623	9%
Net Operational Expenditure	14,172,112	15,290,210	13,566,083	18,554,425	18%

Table 35: Financial Performance: Financial Services

3.2.5 CAPITAL EXPENDITURE -SANITATION SERVICES

The table below provides an estimated cost of all sanitation services capital projects approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	21 021 509	18 825 934	14 961 449	-41%	
Upgrading of WWTP Grabouw	15 890 187	14 056 731	11 907 892	-33%	21 080 006
Toilet Facilities Business Area Caledon	180 000	180 000	179 231	0%	479 973
Toilet Facilities Informal Settlements	150 000	178 935	157 430	5%	178 935
Upgrading of WWTP Villiersdorp	300 000	401 392	227 344	-32%	500 000
Toilet facilities	125 000	125 000	110 450	-13%	125 000
Installation of sewer main between sewerage works of Genadendal & Greyton	3 326 322	3 360 804	2 026 656	-64%	4 986 699
Environmental Impact Studies for Sewerage Network in Bereaville	600 000	200 000	43 651	-1275%	200 000
Toilets New France	150 000	150 000	141 516	-6%	150 000
Toilet facilities in informal settlement	100 000	100 000	98 574	-1%	100 000
Waste Water Treatment package plant Turnkey	200 000	73 072	68 704	-191%	212 777

Table 36: Capital Expenditure: Sanitation Services

Status of the Capital Projects is as follows:

Grabouw WWTP upgrading

The performance milestone in 2011/12 for this project was the completion of phase 1, which consisted of a mechanical, electrical and a civil contract. Poor performance from the civil contractor delayed the installation of the mechanical & electrical components and subsequently caused the roll over of the project into 2012/13.

Greyton-Genadendal Link sewer

This project was scheduled to be completed in 2011/12, however the community prevented the contractor from accessing the site. As a result, the project could not be completed as planned.

Largest capital projects with priority are:

Grabouw WWTP upgrading

This project has a high priority (0) due to its critical nature. Upgrading of the plant is required in order to facilitate housing developments, both low cost and private as well as industrial and business developments. Without this upgrade, no further development in Grabouw can take place. A further contributing factor to its priority is the possibility of pollution to the Palmiet River flowing through the Kogelberg Biosphere.

Villiersdorp WWTW upgrading

This project has a high priority (0). Low cost housing developments in Villiersdorp have necessitated the upgrade of its wastewater treatment plant. Due to the increased sewage inflow these developments will generate it is imperative that the plant's treatment capacity is upgraded. If this is not done, it will negatively impact future developments in the town.

Greyton-Genadendal link sewer

This project has a high priority (1) due to the state of the existing wastewater treatment facility at Greyton. This project aims to convey the sewage generated in Greyton to the wastewater treatment plant at Genadendal. This plant had been upgraded with the necessary capacity to do this; however, at the time of the upgrade the necessary funding was not available.

Sewer network replacement.

This project has a high priority (1) due to the age of the existing sewer networks in the ground. In all of Theewaterskloof towns there is a dire need to upgrade these pipelines, since they have reached the end of their useful life. This is evidenced from the high number of sewer blockages and leaks being experienced.

3.3 ELECTRICITY

Local Government plays a very important role in the provision of electricity. Section 153 of the Constitution places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support.

The electricity purchase and distribution functions of the municipality are administered as follows and include:

- The effective and efficient distribution and reticulation of energy in the following towns (Caledon, Villiersdorp, Greyton and Riviersonderend). Grabouw, Genadendal, Tesselaarsdal, Botrivier and Middleton reside within Eskom jurisdiction.
- Distribute electricity subject to the license conditions set by NERSA.

3.3.1 ELECTRICITY SERVICE DELIVERY LEVELS

Electricity Service Delivery Levels				
Description	Households			
	Year -2008/09	Year -2009/10	Year 2010/11	Year 2011/12
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<i>Energy: (above minimum level)</i>				
Electricity (at least min.service level)	2 504	2 552	2 159	1 174
Electricity - prepaid (min.service level)	2 552	2 697	3 101	4 864
<i>Minimum Service Level and Above sub-total</i>	5 056	5 249	5 260	6 038
<i>Minimum Service Level and Above Percentage</i>	100.0%	100.0%	100.0%	100.0%
<i>Energy: (below minimum level)</i>				
Electricity (< min.service level)				
Electricity - prepaid (< min. service level)				
Other energy sources				
<i>Below Minimum Service Level sub-total</i>	0	0	0	0
<i>Below Minimum Service Level Percentage</i>	0.0%	0.0%	0.0%	0.0%
Total number of households	5 056	5249	5260	6038

Table 37: Electricity Service Delivery Levels

3.3.2 HOUSEHOLDS-ELECTRICITY SERVICE DELIVERY LEVELS BELOW THE MUNICIPALITY

Theewaterskloof Municipality is on par with the delivery of electricity within its service area with the only backlogs of note for the 2011/12 financial year being 700 shacks. These Shacks are situated in Villiersdorp, West side, Goniwepark and Poekom area. This backlog will be addressed in the 2012/13 and 2013/14 financial years.

3.3.3 EMPLOYEES-ELECTRICITY SERVICES

The table below indicates the total number of Electricity Services Employees.

Employees: Electricity Services					
Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	10	14	10	4	29%
4 - 6	1	1	1		0%
7 - 9	4	4	4		0%
10 - 12	2	3	2	1	33%
13 - 15	1	1	1		0%
16 - 18	1	1	1		0%
19 - 20					0%
Total	19	24	19	5	21%

Table 38: Employees: Electricity Services

3.3.4 FINANCIAL PERFORMANCE -ELECTRICITY SERVICES

The table below indicates expenditure within the Electricity Services area.

R'000					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	532,716	1,507,559	1,507,559	1,610,465	6%
Expenditure:					
Employees	3,407,909	3,345,913	3,567,244	3,613,669	7%
Repairs and Maintenance	1,152,685	2,215,165	979,180	1,713,116	-29%
Other	37,087,120	43,443,686	42,588,740	43,398,754	0%
Total Operational Expenditure	41,647,714	49,004,764	47,135,164	48,725,539	-1%

Theewaterskloof Local Municipality Annual Report 2011/12

Net Operational Expenditure	41,114,998	47,497,205	45,627,605	47,115,074	-1%
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Table 39: Financial Performance: Electricity Services

3.3.5 CAPITAL EXPENDITURE -ELECTRICITY SERVICES

The table below provides an estimated cost of all electricity services capital projects approved by council.

R' 000					
Capital Projects	Year 1				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	6 847 350	10 092 855	6 650 471	-3%	
Upgrading of Basil Newmark St network	550 000	-	-	#DIV/0!	3 352 530
Supply from Eskom sub	880 000	1 896 450	1 397 268	37%	2 336 183
Bulk infrastructure in Villiersdorp by Goniwe Park.	1 000 000	1 000 000	998 167	0%	1 000 000
Prepaid Meters	4 300 000	2 752 199	1 740 060	-147%	4 000 000
Caledon Mckaystr minisub	-	692 557	625 072	100%	700 000
Grabouw Streetlights (Highmast Lights)	-	2 089 299	1 107 030	100%	2 089 299
Quality supply metering	-	170 000	-	#DIV/0!	170 000
Upgrade transformer Goniwepark	-	110 000	-	#DIV/0!	110 000
Replace minisub and switchgear SSB1	-	290 000		#DIV/0!	290 000
Upgrade LT network Caledon street	-	100 000		#DIV/0!	100 000
Replace MV supply to Santa	-	175 000		#DIV/0!	175 000
Upgrading MV and LT network Main Road	-	200 000		#DIV/0!	200 000
Upgrade network Hoofweg Bergsig	-	100 000		#DIV/0!	100 000
Inventory	117 350	117 350	584 337	80%	117 350
Streetlights	-	400 000	198 536	100%	400 000

Table 40: Capital Expenditure: Electricity Services

In the 2011/12 financial year the infrastructure feeding Goniwepark in Villiersdorp was upgraded to insure effective reticulation in the area in order to accommodate the increase in electricity usage as well as the future development in the area.

The replacement of conventional electricity meters with the prepayment type is an on-going process with the aim to reduce inconvenience to customers, reduce energy losses and to insure accurate and reliable usage of electricity. 99% of Caledon is complete with Greyton, Villiersdorp and Riviersonderend to follow.

The aim of relocating Greyton's incoming supply to the new 66kv substation of Eskom is to insure a more reliable and efficient quality of supply to the town and will also be able to accommodate future growth.

3.4 WASTE MANAGEMENT

Theewaterskloof Municipality is committed to a system of waste management that will see the least possible amount of waste going to modern engineered landfills. This will be achieved through the use of education, law enforcement and material recovery and treatment plants. New and emerging technologies, where applicable and affordable, will also play a part in overall waste management.

The analysis of the current waste management system has shown the following:

- all formal residential erven are receiving a weekly door-to-door waste collection service
- all collected municipal waste in the Riviersonderend service area is disposed at the Municipality's unlicensed waste disposal site in Riviersonderend
- all collected municipal waste in the Genadendal and Greyton service areas are disposed at the municipality's unlicensed Genadendal and Greyton waste disposal sites
- all collected waste in Caledon, Tesselaarsdal and Botrivier are disposed at the municipality's licensed Caledon landfill
- all collected waste in Grabouw, Villiersdorp as well as the waste from the Public Drop-off in Botrivier are disposed at the regional engineered and licensed waste disposal site at Karwyderskraal
- waste recovery is not currently done
- waste avoidance is not currently addressed
- only the Caledon landfill is currently externally audited for permit compliance
- the Villiersdorp landfill has been closed, but not yet rehabilitated
- New by-laws on waste management does not exist for Theewaterskloof

3.4.1 SOLID WASTE SERVICE DELIVERY LEVELS

The table below indicates the different refuse removal service delivery level standards within the municipality:

Solid Waste Service Delivery Levels				
Description	Year -2008/09	Year -2009/10	Year 2010/11	Households Year 2011/12
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Solid Waste Removal:</u> (Minimum level)				
Removed at least once a week	19 196	19 196	21 324	24 298
Minimum Service Level and Above sub-total	19 196	19 196	21 324	24 298
Minimum Service Level and Above percentage	100.0%	100.0%	100.0%	100.0%
<u>Solid Waste Removal:</u> (Below minimum level)				
Removed less frequently than once a week	0.82	0.82	0.82	0.82
Using communal refuse dump	1.37	1.37	1.37	1.37
Using own refuse dump	6.82	6.82	6.82	6.82
Other rubbish disposal				
No rubbish disposal	0.38	0.38	0.38	0.38
Below Minimum Service Level sub-total	9.38	9.38	9.39	9.38
Below Minimum Service Level percentage	0.0%	0.0%	0.0%	0.0%
Total number of households	19 205	19 205	21 333	24 307

Table 41: Solid Waste Service Delivery Levels

3.4.2 EMPLOYEES- SOLID WASTE MANAGEMENT SERVICES

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	21	21	19	2	10%
4 - 6	6	6	4	2	33%
7 - 9	6	7	6	1	14%
10 - 12					-
13 - 15					-
16 - 18					-
19 - 20					-
Total	33	34	29	5	15%

Table 42: Employees: Solid Waste Management

3.4.3 EMPLOYEES: WASTE DISPOSAL AND OTHER

The table below indicates the total number of Waste Disposal Services Employees.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	52	81	55	26	32%
4 - 6	9	11	7	4	36%
7 - 9	8	9	6	3	33%
10 - 12					-
13 - 15					-
16 - 18					-
19 - 20					-
Total	69	101	68	33	33%

Table 43: Employees: Waste Disposal and Other

3.4.4 FINANCIAL PERFORMANCE: 2011/12 SOILD WASTE MANAGEMENT SERVICES

The table below indicates expenditure within the Waste Disposal Services area.

R'000					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4,357,466	5,784,480	5784480	4202717.72	-38%
Expenditure:					
Employees	8,048,118	8,357,825	8,716,606	8,742,249	4%
Repairs and Maintenance	902,276	981,530	945000	957,976	-2%
Other	12,307,643	8,686,481	9361316	15,409,272	44%
Total Operational Expenditure	21,258,036	18,025,836	19,022,922	25,109,497	28%
Net Operational Expenditure	16,900,571	12,241,356	13,238,442	20,906,779	41%

Table 44: Financial Performance: Solid Waste Management Services

3.4.5 CAPITAL EXPENDITURE: WASTE MANAGEMENT SERVICES

The table below provides an estimated cost of all Waste Disposal services capital projects approved by council.

R' 000					
Capital Projects	Year 1				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 184 000	2 184 000	812 762	-169%	
Wheelie Bins	75 000	75 000	4 981	-1406%	75 000
Greyton Genadendal Solid waste transfer Station	2 109 000	2 109 000	807 781	-161%	2 109 000

Table 45: Capital Expenditure: Waste Management Services

3.5 HOUSING

The Theewaterskloof Municipality received an initial DORA allocation of R 33 977 00. This allocation was increased by R5mil to R 38 977 000 for 2011/ 2012 of which the full 100% was drawn down from the Provincial Human Settlements Department.

The need for housing delivery far exceeds the Municipality's DORA allocation, approximating the service deliver period to exceed 36 years to meet the demand. To resolve this challenge, an incremental housing delivery (IHD) model was introduced where focus will be placed on serviced plots, thereby assisting more people to obtain access to basic services.

The table below indicates the summary of houses built and also reveals the losing battle faced by the municipality in providing housing as the waiting list continues to increase.

Year end	Number of Housing Units on Waiting list	Number of Houses built	Number of serviced sites
2008/09		242	242
2009/10		307	307
2010/11	9306	297	297
2011/12	10327	176	237

Table 46: Summary of Housing Built

3.5.1 EMPLOYEES: HOUSING SERVICES

The table below indicates the total number of Housing Services Employees.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					-
4 - 6					-
7 - 9	2	4	2	2	50%
10 - 12	7	13	6	7	54%
13 - 15	1	1	1		0%
16 - 18					-
19 - 20					
Total	10	18	9	9	50%

Table 47: Employees: Housing

3.5.2 FINANCIAL PERFORMANCE: 2011/12 HOUSING SERVICES

The table below indicates expenditure within the Housing Services area.

R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	2,834,527	2,748,936	3,029,422	2,923,649	6%
Repairs and Maintenance	1,424	3,000	3,000	1,032	-191%
Other	877,938	3,134,820	2,729,593	942,180	-233%
Total Operational Expenditure	3,713,888	5,886,756	5,762,015	3,866,861	-52%
Net Operational Expenditure	3,713,888	5,886,756	5,762,015	3,866,861	-52%

Table 48: Financial Performance: Housing Services

3.5.3 CAPITAL EXPENDITURE: 2011/12 HOUSING SERVICES

The table below provides an estimated cost of all Housing capital projects approved by council.

Capital Projects	Year 1			
	Type	Total Contract Value	Total Project Expenditure	Project Balance
Botrivier:205	PLS	2 940 633.85	2 881 141.00	59 492.85
Rooidakke:434	PLS	32 999 494.00	32 618 469.00	381 025.00
Dennekruin: Pineview:162	PLS	16 256 862.00	14 834 427.00	1 422 435.00
Villiersdorp:185	PHP	2 253 269.87	3 667 337.73	23 517 872.27
Villiersdorp: 185 (Services)	PLS	8 376 808.00	7 034 081.40	1 342 726.60
Rooidakke:1169	UISP	33 413 730.00	13 000 000.00	20 413 730.00
Rooidakke: 1292	EPH	16 553 100.00	16 553 100.00	0
Grabouw: XolaNaledi: 1273	PLS	14 200 425.50	13 050 876.00	1 149 549.50
Destiny Farm	Land	5 000 000.00	5 000 000.00	0
Grabouw: Waterworks: 500	UISP	1 923 690.00	440 320.00	1 483 370.00
Grabouw: Hillside: Fire Kits	EHP	527 213.66	527 213.66	0
Grabouw: 529	UISP	24 283 003.94	24 283 003.92	.02

Table 49: Capital Expenditure: Housing Services

An additional R5mil was received from Province for the purchase of Destiny Farm. The acquisition of Destiny Farm will satisfy the need for low, medium and high income housing for at least the next 5 to 10 years.

Future planning and funding approval for the following Towns were also completed i.e.:

- Botriver 226 Serviced sites & house funding of R 22,679mil approved
- Caledon 220 Services Sites R 8,826mil approved
- Waterworks – Planning approval for 500 Service Sites R1,923mil received.

3.6 FREE BASIC SERVICES

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than R2 160 per month will receive the free basic services as prescribed by national policy.

3.6.1 FREE BASIC SERVICES TO LOW INCOME HOUSEHILDS

The table below indicates that 27% of the total number of households received free basic services in 2009/10 financial year whilst it increased to 30.3% in the 2011/12 financial year:

Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
			Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Total	Access	%	Access	%	Access	%	Access	%
2009/2010	22056	5911	27%	5911	27%	508	2%	5911	27%	
2010/2011	16538	5636	34%	5483	33%	1032	6%	5638	34%	
2011/2012	20312	5466	33%	3173	19%	5327	32%	6157	30.3%	

Table 50: Free Basic Services to Low Income Households

Theewaterskloof Municipality does not provide Electricity in all 8 towns - Eskom provide in Grabouw, Genadendal, Botriver and Tesselaarsdal.

3.6.2 COST TO MUNICIPALITY ON FREE BASIC SERVICE DELIVERY

Services Delivered	Year 2010/11	Year 1			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	834 242	2 938 560	2 938 560	1 471 924	-100%
Waste Water (Sanitation)	951 484	4 652 640	4 652 640	3 004 372	-55%
Electricity	728 000	1 507 559	1 507 559	2 342 828	36%
Waste Management (Solid Waste)	1 094 152	5 784 480	5 784 480	2 806 355	-106%
Total	3 607 878	14883239	14883239	9625479	-55%

Table 51: Cost to Municipality on Free Basic Service Delivery

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

The Municipality has the mandate from Government to perform all relevant services regarding roads and stormwater in those areas included within the boundaries of the WC031 area in terms of Schedule 4B and 5B, i.e. "Municipal Public Transport; Storm water Management Systems in built-up areas". Apart from various National and Provincial legislation and White and Green Papers this division is also responsible to execute all Council resolutions, policies and delegated powers by council. Roads outside the town areas are still the responsibility of the District Council.

The following tables give an overview of the total kilometers of roads maintained and new roads tarred:

3.7.1 GRAVEL ROAD INFRASTRUCTURE

	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometres Gravel roads graded/maintained
2009/10	96.7	0	0	97.0
2010/11	96.4	0	0	96.4
2011/12	98.80		0.80	98.0

Table 52: Gravel Road and Infrastructure

3.7.2 TARRED ROAD INFRASTRUCTURE

					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2009/10	160.6	0.55	5	0	
2010/11	164	0.3	7	0	
2011/12	161	0	161	2	80

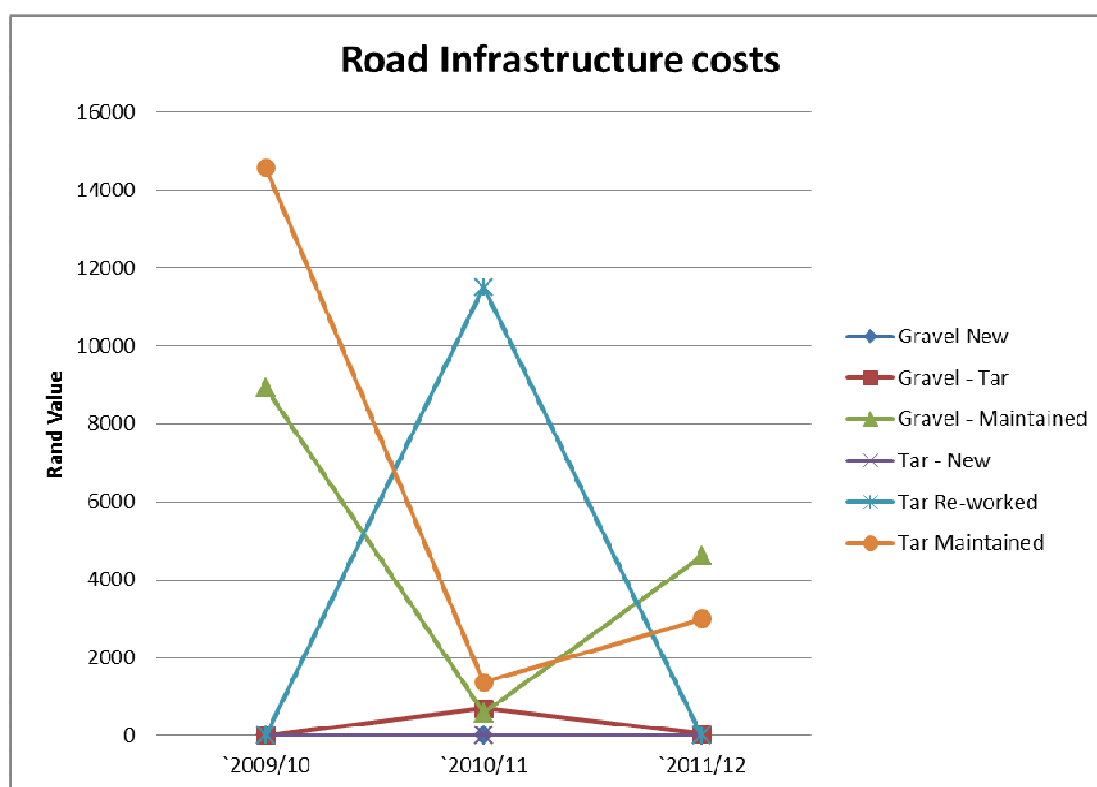
Table 53: Tarred Road and Infrastructure

3.7.3 COST OF CONSTRUCTION/MAINTENANCE

The table below shows the costs involved for the maintenance and construction of roads within the municipal area.

	R' 000					
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2009/10	0	0	8932	0	0	14574
2010/11	0	700	591	0	11500	1379
2011/12	0	50	4600	0	0	3000

Table 54: Cost of Construction/Maintenance



Graph 6: Road Infrastructure Costs

3.7.4 EMPLOYEES: ROAD SERVICES

The table below indicates the total number of Roads Services Employees.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	71	76	74	2	3%
4 - 6	24	26	21	5	19%
7 - 9	4	11	7	4	36%
10 - 12					-
13 - 15					-
16 - 18					-
19 - 20					-
Total	99	113	102	11	10%

Table 55: Employees: Road Services

3.7.5 FINANCIAL PERFORMANCE: ROAD SERVICES

The table below indicates expenditure within the Roads Services area.

R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	8,540,274	9,260,560	8,760,348	8,645,414	-7%
Repairs and Maintenance	2,756,957	3,814,900	3,326,989	3,320,067	-15%
Other	7,881,367	11,021,434	7,980,279	8,131,676	-36%
Total Operational Expenditure	19,178,598	24,096,894	20,067,616	20,097,157	-20%
Net Operational Expenditure	19,178,598	24,096,894	20,067,616	20,097,157	-20%

Table 56: Financial Performance Road Services

3.7.6 CAPITAL EXPENDITURE: ROAD SERVICES

The table below provides an estimated cost of all Roads capital projects approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3 905 000	5 228 428	4 627 256	16%	
Flood Protection/Damage Projects		746 950	278 927	100%	4 196 324
- Upgrading of drifts in Vlei, Park street Greyton & Voorstekraal					
Vlei str bridge	100 000	100 000	45 813	-118%	100 000
Proclaimed Main Roads	3 535 000	3 535 000	3 525 752	0%	3 855 195

Buy kerbs for preparations and prepare sidewalks for tarring	20 000	20 000	18 527	-8%	20 000
Tar sidewalks through main road in Bergsig to stabilize sidewalks	80 000	80 000	78 188	-2%	80 000
To enhance the entrance as well as sidewalks in the main roads in Caledon	85 000	85 000	84 047	-1%	85 000
Put the establishment of sidewalks out on tender	40 000	40 000	38 755	-3%	40 000
Paving of sidewalks in main road	45 000	45 000	44 319	-2%	45 000
Upgrading Streets & Storm water		576 478	512 928	100%	20 920 734

Table 57: Capital Expenditure: Road Services

Spending on Theewaterskloof Roads Upgrade 2009/10 & 2010/11 budget included variances with regard to the approved budget. The matter was rectified through approval given for the extension of the construction contracts.

3.8 TRANSPORT

Theewaterskloof Municipality has no subsidized public transport services hence, this transport is provided by privately owned/operated minibus taxis. A number of school bus contracts are in operation in the jurisdiction.

With respect to non-motorized transport, there is generally little provision for pedestrian and bicycle travel in the municipal area other than the conventional sidewalks in the central business districts. These sidewalks are however in a poor condition due to limited resources. There are no facilities on rural roads for non-motorized transport.

3.9 WASTE WATER (STORMWATER DRAINAGE)

3.9.1 STORMWATER INFRASTRUCTURE

The table below shows the total kilometers of stormwater maintained and upgraded as well as the kilometers of new stormwater pipes installed:

	Kilometers			
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
`2009/10	160.6	0.5	1.1	158
`2010/11	161	2.0	1.0	n/a
`2011/12	161	0	300	n/a

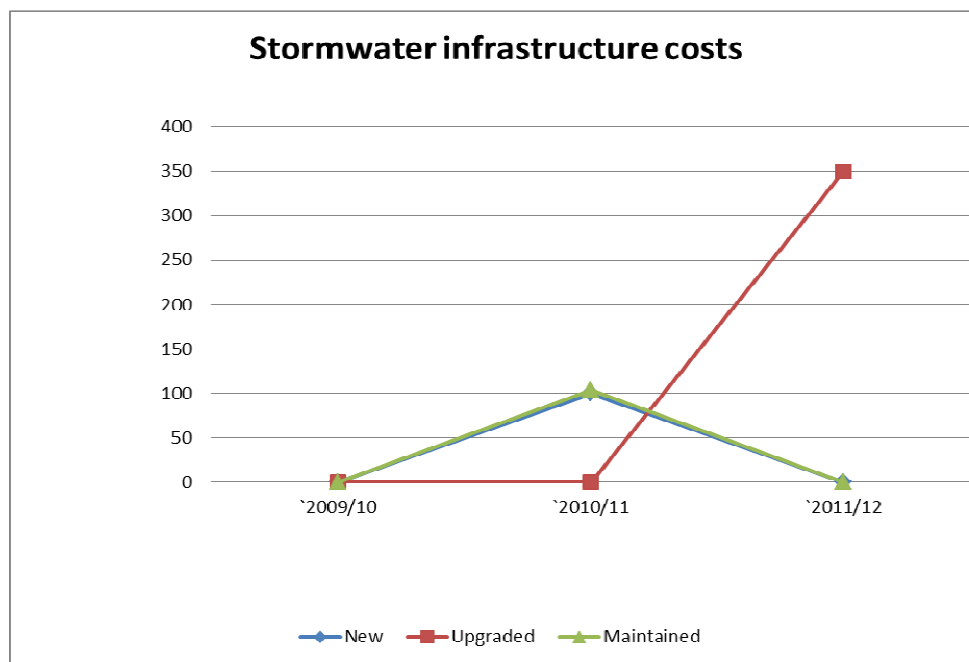
Table 58: Storm water infrastructure

3.9.2 COST OF CONSTRUCTION AND MAINTENANCE

The table below indicates the amount of money spent on stormwater projects:

Financial year	New R'000	Upgraded R'000	Maintained R'000
2008/09	155	116	59
2009/10	0	0	0
2010/11	100		104
2011/12	0	350	n/a

Table 58: Cost of construction/maintenance of storm water systems



Graph 7: Storm water Infrastructure Costs

3.9.3 EMPLOYEES: WASTE WATER (STORM WATER DRAINAGE)

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	60	60	55	4	7%
4 - 6	9	9	9	1	11%
7 - 9					
10 - 12	3	3	3		0%
13 - 15					
16 - 18					
19 - 20					
Total	72	72	67	5	7%

COMPONENT C: PLANNING AND DEVELOPMENT

Section 156(1) of the Constitution of the Republic of South Africa, Act 108 of 1996, confers on municipalities the executive authority and the right to administer municipal planning.

Section 156(2) of the Constitution empowers municipalities to make and administer by-laws for the effective administration of municipal planning.

Section 155(6) of the Constitution charges each provincial government with the responsibility inter alia to support local government in its province and to promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs.

The following challenges are experienced:

1. Land use control in the municipal sphere was undertaken in terms of the Land Use Planning Ordinance. The Constitution empowered municipalities to adopt by-laws for local government matters over which they have executive authority (e.g. municipal planning).
2. The fact that municipalities were consolidated in the year 2000 and that several formerly independent municipalities were amalgamated into one “new” entity necessitated the compilation of new regulations, or, as they are now called, “by-laws”.
3. Theewaterskloof Municipality comprises the rural areas and the former municipalities of Caledon, Villiersdorp, Grabouw, Riviersonderend and Greyton, as well as the hamlets formerly served by the Overberg District Council (i.e. Middleton, Genadendal and Tesselaarsdal).
4. There were basically three systems in place. Villiersdorp and Grabouw had their own Section 7 zoning schemes and most of the other places fell under the general Section 8 scheme (Sections 7 and 8 refer to sections of the Land Use Planning Ordinance).

For the sake of effective administration and to prevent confusion it became imperative that all legislation and applicable guide lines be combined to be more effective for the entire area of TWK.

3.10 PLANNING

Theewaterskloof Municipality embarked on the revision of the 2005 SDF in terms of the Municipal systems Act, 2000 (Act 32 of 2000) as well as Section 4(6) of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985).

The following services delivery priorities were embarked on during the 2011/12 financial year:

Development of an Integrated Zoning Scheme	<p>The amalgamation of the municipalities resulted in there being three different systems in place. For the sake of effective administration and to prevent confusion it became imperative that these zoning schemes be combined into a single by-law.</p> <p>TV3 Architects & Planners (Pty) Ltd was appointed on 15 September 2005 to compile an integrated zoning scheme for the Theewaterskloof Area. The Integrated Zoning Schemes for TWK was approved on 13 May 2011.</p>
Land Use Applications	<p>Town Planning applications received: 1 July 2011 to 30 June 2012- 227</p> <p>Town Planning applications approved: 1 July 2011 to 30 June 2012-187</p> <p>The income for this specific period was: R 186,502.03</p>
Managing of illegal land uses	<p>It is required from this Section to be responsible for the execution of the provisions of LUPO, TWK Integrated Zoning Scheme as well as related bylaws, in order to –</p> <ul style="list-style-type: none"> •ensure the management and control of illegal Land Use activities; •the execution of the said monitoring and policing of illegal land use activities; •transfer all information to a register for monitoring purposes; •supply the information in the register to the Financial Department; •Determine penalty fees for illegal land use activities.
Policies and Bylaws	<p>Approval of House Shop Policy</p> <p>The Bylaw on “Trading Hours for Liquor Outlets” and the Signage Bylaw has been drafted and will be approved in the 2012/13 financial year.</p>
Building applications	<p>Building plans received: 1 July 2011 to 30 June 2012 - 284</p> <p>Total Building plan approvals: 1 July 2011 to 30 June 2012 - 220</p> <p>The income for this specific period was: R 762 317.04</p>
GIS	<p>The GIS system is an ongoing monthly updating process. All cadastral maps with regards to consolidations, subdivisions, land owner details and rezoning are updated monthly.</p> <p>The Housing department with regards to the visual display of the</p>

Theewaterskloof Local Municipality Annual Report 2011/12

	<p>progress of civil works and the building of houses.</p> <p>This year the GIS Section did an investigation on the outer boundaries of the municipality and had to submit the cases to the Municipal Demarcation Board. The consultation process lead to the inclusion of the Houw Hoek Valley into TWK.</p>
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Details	Rezoning/Departure/Subdivision/Consolidations
	2011 to 2012
Planning applications received	227
Applications approved	187
Applications declined	2
Applications withdrawn	2
Applications referred back to applicant	7
Applications pending at year end	29

Table 59: Town Planning Applications

3.10.1 EMPLOYEES: PLANNING SERVICES

The table below indicates the total number of Planning Services Employees.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9	1	4	2	3	75%
10 - 12	7	8	4	4	50%
13 - 15	1	3	2		0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	9	15	8	7	47%

Table 60: Employees: Planning Services

3.10.2 FINANCIAL PERFORMANCE: PLANNING SERVICES

The table below indicates expenditure within the Planning Services area.

R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,575,509	907,246	876,000	1,220,361	26%
Expenditure:					
Employees	6,556,260	6,633,213	6,908,292	7,209,368	8%
Repairs and Maintenance	3,182	6,000	7,000	6,365	6%
Other	5,188,164	6,292,023	5,860,948	4,433,984	-42%
Total Operational Expenditure	11,747,606	12,931,236	12,776,240	11,649,717	-11%
Net Operational Expenditure	9,172,097	12,023,990	11,900,240	10,429,356	-15%

Table 61: Financial Performance: Planning Services

3.10.3 CAPITAL EXPENDITURE: PLANNING SERVICES

The table below provides an estimated cost of all Planning capital projects approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 970 800	3 820 076	898 443	-231%	
Inventory: Development Admin	5 000	5 000	1 403	-256%	5 000
GIS Development Admin	-	23 167	19 495	100%	23 167
Inventory: Town Planning	10 300	375 300	5 136	-101%	375 300
Electricity Contingency	-	111 109	71 936	100%	300 000

Theewaterskloof Local Municipality Annual Report 2011/12

Environmental Impact Studies Development Port Erf 595, Greyton Lan to be developed for Light industrial purposes Caledon	250 000	250 000	-	#DIV/0!	250 000
Extension 12(Land Surveyor, Town Planner, Civil Eng Planning)	1 500 000	1 500 000		#DIV/0!	1 500 000
Upgrading of Donkinplein	450 000	450 000	444 303	-1%	450 000
Skroefpomp Villiersdorp		100 000		#DIV/0!	100 000
Preparation/Planting of grass on open space in Uitsig for schoolchildren to play	25 000	25 000	22 575	-11%	25 000
Servicing of 4 industrial erven 2766, 2767, 2770 and 2771, Grabouw	400 000	400 000	-	#DIV/0!	400 000
Building walking Bridges , Virenda for white house	125 000	125 000	79 200	-58%	125 000
Buying 2 advertisement boards for the entrances from Worcester and Grabouw to Villiersdorp	20 000	20 000	20 000	0%	20 000
Upgrade of hawkers area at entrance from Grabouw to Villiersdorp	60 000	60 000	59 756	0%	60 000
Destiny Toilets		250 000	72 219	100%	250 000
Expansion of existing play parks established in 2010/2011	80 000	80 000	65 194	-23%	80 000
New Play Park Greyton	45 000	45 000	37 227	-21%	45 000
Inventory: Property management	500	500	-	#DIV/0!	500

Table 62: Capital Expenditure: Planning Services

3.11 LOCAL ECONOMIC DEVELOPMENT & TOURISM

Theewaterskloof is the largest economic node in the Overberg District, accounting for over two-thirds of the district's economic activity. The region is the agricultural hub of the Overberg. Despite the national and regional downturn in agriculture, the region has managed to more or less maintain its level of real value add over the last decade. Manufacturing, which is dominated by agro-processing, has grown (at around 5% p.a.) despite the recession. This has opened up new employment opportunities. Notwithstanding its performance, the sector has grown at a slower rate than manufacturing in its neighbouring municipalities.

Interwoven with the agricultural core, the Theewaterskloof economy is a relatively well diversified economy with the financial, real estate and business services and construction sectors driving growth and employment over the last 10 years. In the last year tourism has also been a driver of growth.

Agriculture: The Theewaterskloof economy is dominated by agriculture – both primary production and manufacturing. The area is the largest apple growing region in the country, with over 10 000 hectares under cultivation accounting for almost two-thirds of South Africa's apple exports. It is the second largest pear growing area in the country with over 2 000 hectares under cultivation, and a key wine producing region with over 1400 hectares planted under vines. Theewaterskloof and its neighbouring municipal areas are also one of the larger barley producing regions and a significant grain producing region. Other agricultural activities include sheep, dairy farming, flowers, vegetables, poultry and other fruit.

The sector is well organised, resilient and has out-performed the provincial and national agricultural sector growth. This is testament to the business skill, innovation and acumen in the area.

The strategic objective to retain rate rebates and diversify the sector has been achieved.

Manufacturing: Manufacturing in the area is largely agro-processing. The sector has mirrored the national trends and has declined in the last 10 years. Despite this, opportunities do exist for niche-market value adding activities as demonstrated by the growing fine food sector in the region. Clothing has been a new sector entering the market to take advantage of, the close proximity to Cape Town, available and affordable labour and cheap light industrial premises in the area.

The objective was to incentivize and innovate what has been achieved through introducing the textile manufacturing cluster to the area which created to date 140 new work opportunities with potential to grow by additional 300 work opportunities in the next 2 years.

Tourism: Tourism in the region has grown exponentially in the last year aided by the establishment of a new umbrella tourism organisation, The Cape Country Meander. The region has recently launched new product offerings in mountain biking, cultural tourism, wedding and conferencing facilities and food and wine tourism. Despite these developments, the sector still offers excellent opportunities for investors and product developers.

The past 2 years has seen private sector investment amount to over R60mil in tourism infrastructure which provided additional 130 work opportunities in the hospitality cluster.

Services: The financial and business services sector has been a steady growth driver of the local economy. As population densities increase with various planned property developments, the sector will continue to offer scope for growth. Government and community services have been a mainstay of the local economy.

While the sector has declined in recent years the marketing of Caledon as a regional services hub is likely to turn this around.

Construction: Traditionally known for its artisan skills drawn from Grabouw and Genadendal, the construction sector has grown steadily and out-performed national and regional averages.

Other: Other key sectors include the transport sector – both freight and passenger, wholesale and retail trade, education in both schooling and post schooling training, and the forestry sector.

3.11.1 ECONOMIC ACTIVITY BY SECTOR

The table below reflects the projected Gross Operating Surplus (GOS) of lead-sectors based on historical trends; a more conservative projection that does not assume sustained exponential growth.

Sector	2010	2015	2020	2025	2030
Agriculture and hunting	762,083	954,993	1,147,903	1,340,813	1,533,723
Real estate	266,978	348,873	430,768	512,663	594,558
Retail trade and repairs of goods	217,012	278,487	339,962	401,437	462,912
Food, beverage, and tobacco	203,695	260,450	317,205	373,960	430,715
Electricity and gas	187,511	236,755	285,999	335,243	384,487
Construction	87,188	117,537	147,886	178,235	208,584
Public administration and defence	44,576	57,882	71,188	84,494	97,800
Wood and wood products	20,423	23,910	27,396	30,883	34,370

Table 63: Economic Activity by Sector

GOS represents the sum of all pre-tax profits and as such is a key determinant of Gross Value Add (GVA) and Gross Domestic Product per Region (GDP), but tends to involve smaller figures than GDP.

3.11.2 JOB CREATION THROUGH EPWP PROJECTS

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year 2010/11	14	215
Year 2011/12	33	284

Table 64: Job Creation through EPWP Projects

3.11.3 JOBS CREATED THROUGH LED INITIATIVES

Total Jobs created / Top 3 initiatives	Jobs created	Method of validating jobs created/lost
	No.	
2009/10	148	Wage bill generated by the textile company set up in Caledon
2010/11	1336	136 – tourism sector jobs created through new enterprises established in the sector validated through new positions filled at those establishments 1200 – CWP program established in Grabouw - validated through monthly wage bill reports
Initiative A (2011/12)	96	SMMEs retained
Initiative B (2011/12)	1078	Work opportunities created through the community works programme
Initiative C (2011/12)	58	Events and hospitality industry -Growth in the tourism and eventing industry

Table 65: Job Created through LED Initiatives

3.11.4 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

The table below indicates the total number of Local Economic Development Employees.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					
4 - 6					
7 - 9					
10 - 12	1	1	1	0	0%
13 - 15	1	1	1	0	0%
16 - 18					
19 - 20					
Total	2	2	2	0	0%

Table 66: Employees: LED

3.11.5 FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT SERVICES

The table below indicates expenditure within the Local Economic Development area.

R'000					
Details	2010/11	2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	635,156	550,000	1,100,000	556,600	1%
Expenditure:					
Employees	1,298,466	1,292,256	1,405,921	1,471,649	12%
Repairs and Maintenance	1,382	3,000	3,600	3,188	6%
Other	2,419,544	2,568,809	2,946,281	2161479	-19%
Total Operational Expenditure	3,719,392	3,864,065	4,355,802	3,636,316	-6%
Net Operational Expenditure	3,084,236	3,314,065	3,255,802	3,079,717	-8%

Table 67: Financial Performance: LED

According to the LED Maturity Assessment conducted by SALGA earlier this year, Theewaterskloof LED practices ranks 1st out of 27 Western Cape municipalities, thereby setting the benchmark for others.

The Municipality, together with its partners in the private and community sectors, has developed a 20 year vision for the region.

The 2030 Vision commits government, businesses and citizens of Theewaterskloof to build the best possible future for their children and their community.

A set of actions has been prioritised which cuts across all sectors. These actions are collective responsibility of all actors in the long term economic turn-around strategy.

a) Spatial and environmental management plans that promote both sustainability and growth.

Demarcating a growth node/ corridor within the Municipal area which can attract adequate resident volumes to boost the services and retail sector and retain income in the local economy.

Spatially, a growth corridor is proposed along the N2 with Grabouw as the priority node for residential and business activity, supported by Caledon as a secondary residential node and Botriver as a secondary industrial/ business node.

b) Retention of rates rebate to the agricultural sector.

Currently agricultural properties are only required to pay 25% of the rates. This is part of the Municipality's support to the sector and has assisted farmers to keep costs down, particularly in lean years.

c) Promotion of local produce and products and procurement of local products by government.

Developing a database of available products in the area and encourage government departments to procure locally, for example local trees for greening projects, local fruit for feeding schemes, etc.

d) Developing of rural economic nodes and creative on-farm housing solutions to stabilise farm-based labour.

Addressing the housing needs of farm workers was identified as the number one priority in the agricultural sector. Different solutions to the housing needs of farm workers have been proposed – some linked to developing existing on-farm housing settlements and making them more sustainable.

e) Improving sustainability practices in the production process and also in farm management.

With pressure on our natural resource base, reduction of inputs is becoming more and more important in all businesses. With agriculture as the dominant business activity in the area, the sector needs to pioneer new practices that reduce the use of water and energy and also minimise waste.

f) The Cape Country Meander Tourism forum

Creation of a tourism forum as a platform for coordinated action between the various town- based tourism associations and other key players, such as the wine guild.

g) Cycling route and community project

Theewaterskloof is a recognised mountain biking destination and will be the site of the Cape Epic. Building on this, it is proposed that the area develops a cycling route, based on the French experiences, which would enable cycling enthusiasts to cycle safely through the area over a number of days. This requires developing a route and cycling trails, as well as appropriate accommodation facilities. Using this as the catalyst, a parallel project aimed at reducing the carbon footprint is a community bicycle project centred on cycling clubs that encourage young people to cycle around the area.

h) Improving PPP capacity

A key action planned to unlock the potential of the area is to establish private-public interface capacity within the Municipality. The new capacity will focus on attracting investment and fast tracking the required approvals for investments that can complement the sustainability and tourism focuses.

i) SMME SUPPORT

Recently developed SME Framework is one of the elements of an integrated Local Economic Development Strategy. A full spectrum of support programmes necessary to grow successful local businesses has been developed targeting increase in jobs, attracting investment and build globally-linked competitive businesses in the TWK region.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.12 LIBRARY SERVICE AND COMMUNITY FACILITIES

3.12.1 LIBRARY SERVICES

The service delivery initiatives with respect to library services initiated in partnership with the Department of Culture and Sport (DCAS) during the 2011/12 year are as follows:

- Availability of books –books is replaced with new ones on a regular basis by Province.
- Internet facilities – implementation of SLIMS (Sita Library Information Management System) will take place in September 2012 covering all the libraries. The main objective of this system is to ensure improved stock control as well as better Customer Service. The internet facility will also assist students with their tasks/ project
- Customer service – With the implementation of SLIMS, public will be informed inter alia where the closest library is to find a book which may not be available at that particular library.
- Toy libraries, where children learn and abilities are enhanced by exposing them to learners' material in the form of toys. The first toy library has been officially opened at Caledon during July 2012.

Library services in TWK has for many years been operated under the "oath" of being an unfunded mandate. However this scenario has been changed as Department Cultural Affairs and Sport took over funding of the Salary component as well as the Operational Cost for Library Services. This in essence means that the temp staff can in the near future also be employed permanently which will ensure

Theewaterskloof Local Municipality Annual Report 2011/12

continuity in terms of service delivery as well as improving some areas in the libraries where there is currently a lack.

Another area where library service will be improving is that of IT performance as this will also be covered by the funding from the Provincial Department.

3.12.2 EMPLOYEES: LIBRARY SERVICES

The table below indicates the total number of Library Services Employees.

Job Level	Year 0	Year 1			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6	4	4	4		0%
7 - 9	22	23	22	1	4%
10 - 12	3	4	4		0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	29	31	30	1	3%

Table 67: Employees: Library Services

3.12.3 FINANCIAL PERFORMANCE: LIBRARY SERVICES

The table below indicates expenditure within the Library Services area.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	731,714	719,064	4,297,000	4,290,261	83%
Expenditure:					
Employees	3,321,497	3,710,176	3,560,573	3,471,617	-7%
Repairs and Maintenance	398,822	103,000	80,000	71,352	-44%
Other	687,708	730,365	671,148	650,829	-12%
Total Operational Expenditure	4,408,027	4,543,541	4,311,721	4,193,798	-8%
Net Operational Expenditure	3,676,313	3,824,477	14,721	-96,463	4065%

Table 68: Financial Performance: Library Services

3.12.4 COMMUNITY FACILITIES

Theewaterskloof Municipality was one of the pilot municipalities selected to participate in the role out of the Neighbourhood Development Plant (NDP).

As a pilot, the Municipality received R 2mil from National Treasury towards the implementation of a community project. Council approved the conversion of the Gerald Wright Hall in a Thusong Centre as a priority project.

In support of this, the Department Local Government allocated an additional R 2.5 Million towards this project. This fund will be utilised for the upgrade of the building and the construction of office accommodation based on the needs of the community and the availability and interest of the sector departments.

3.13 CEMATORIES

The Status with respect to capacity of all crematories within the municipality as follow:

Town	Available Capacity
Grabouw- Knoflokskraal	Five (5) Years
Villiersdorp	Eight (8) Years
Riviersonderend	Twenty (20) Years
Botrivier	Five (5) Years
Caledon	Five (5) Years
Greyton/Genadendal	Five (5) Years
Tesselaarsdal	Private
Vyerboom	Private

Table 69: Crematories

3.13.1 FINANCIAL PERFORMANCE: CEMETORIES

The table below indicates expenditure within the Crematories Services area.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance	212,863	278,000	229,000.00	198,241.00	-40%
Other	222,028	226,822	218,349.00	175,428.00	-29%
Total Operational Expenditure	434,891	504,822	447,349	373,669	-35%
Net Operational Expenditure	434,891	504,822	447,349	373,669	-35%

Table 69: Financial Performance: Crematories

3.13.2 CAPITAL EXPENDITURE: CEMETORIES

The table below provides an estimated cost of all Crematories capital projects approved by council.

R' 000					
Capital Projects	Year 1				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	312 374.00	312 374.00	273 684.21	-14%	
New Cemetery (Villiersdorp)	312 374.00	312 374.00	273 684.21	-14%	312 374.00

Table 70: Capital Expenditure: Crematories

3.14 SOCIAL PROGRAMMES

PROJECT NAME:	DESCRIPTION:
PREMIER'S ADVANCEMENT OF YOUTH (PAY) PROJECT	Objective: is to employ 2011 Matriculate in provincial departments to gain on the job experience.
NARYSEC	Recruitment programme from Department of Rural Development and Land Reform, of out of school youth to participate in community projects.
Toy Library (Caledon)	The Toy library Project is a pilot project from EYS (Early Years Services) Objective: To stimulate the children's minds through play.
Hearts of Men	Father's day Event in Grabouw on 17 June 2012
Youth Day	Youth Day celebration in Genadendal on 16 June 2012 Hosted by Department of Health
Military Veterans	Registration of Military Veterans by the National Department of Military Veterans
Caledon Protocol	Platform of different Government departments in Caledon, discussing the problems in Caledon. Try to address these issues through joint collaboration.
CRDP	A project from Department of Rural Development which consist of all Provincial Government departments, to target the socioeconomic challenges that the Villiersdorp community are facing.
Cooperatives	Establishment of Cooperatives with joint collaboration with SEDA and CDWs.
TB-Day	TB Day was held in Caledon with Department of Health.
Child Protection Week	CPW was held with Department of Social Development at the Swartberg Primary school.
Small Scale Farmers	To have a proper and well-structured emerging farmer formation. Provide them with the necessary skills, training and resources.
Global Fund	Adjudication of NGOs that applied for funding to Global Fund through Department of Health.
Thusong Mobile	Service Delivery Initiative with Provincial Government. Participated in Grabouw and Botrivier.
Health and Wellness Committee	A Committee established to coordinate all Health & Wellness issues in the community
Botrivier Soccer Teams	Youth Development Initiative
Tyresö Project	Swedish Entrepreneurial project in partnership with Tyresö Municipality and TWK Municipality.

Table 71: Social Development Initiatives

COMPONENT E: ENVIRONMENTAL PROTECTION

With respect to its Environmental Protection mandate, Theewaterskloof Municipality operates within existing Institutional structures such as Cape Nature. The municipality does not have its own set of environmental by- laws, therefor partnerships with these institutions were forged.

3.15 BIO-DIVERSITY

The management and maintenance of natural open spaces is a priority within TWK Municipality. These areas include: Greyton Nature reserve, Caledon Nature reserve, Natural areas in Riviersonderend, Shaws pass nature area in Caledon and our flagship Kogelberg Biosphere.

The Theewaterskloof contribute to environmental management and biodiversity through joint organizations in biodiversity and other conservation bodies such as Cape Nature, Kogelberg Biosphere, Greyton Nature Reserve Advisory forum and Overberg Integrated Conservation forum.

The biggest challenge in maintaining the biodiversity in the area is the sustainable eradication of alien vegetation on all our natural areas. The clearing of these unwanted vegetation material creates a better growing medium for the indigenous fynbos and contribute to the growth of all other biodiversity such as small mammal's reptile's birds, insects and aragnida,

COMPONENT F: SECURITY AND SAFETY

3.16 TRAFFIC AND LAW ENFORCEMENT

The Municipality engaged in a joint venture with the Department of Public Works, and its expanded public works program. Over five hundred applications were received with 20 successful applicants selected to participate in a fully accredited one month learning intervention, facilitated by a qualified ETDP facilitator. Students received tuition in the Criminal Procedure Act, as well as the National Road Traffic Act and By-law Enforcement, with the subsequent appointment as Traffic Wardens and Law Enforcement officials respectively.

Peace Officer certification was attainedthrough SAPA for both Traffic Wardens and Law Enforcement Officers as from November 2011. This resulted in officials being empowered to issue citations as well as to act as Process Servers in terms of Section 15(2) of the Magistrate's Court Act, Act 32 of 1944.

Traffic Wardens through their appointment serves as force multipliers to Traffic Officers with the assistance that they render as authorized Officers in terms of legislation.

Officers were exposed to practical field training in various aspects of the job, within the framework of the working environment. The capacity of the learning intervention and the assessment of competencies are to demonstrate the extent to which learning outcomes have been met. Traffic Management has supervised, supported and guided officers administratively and practically. A combination of formative and summative assessment has been utilized to determine the competency levels of officers.

Theewaterskloof Local Municipality Annual Report 2011/12

The Municipality was confronted with the unprecedented insurgence of public protest action/marches during the month of March 2012. The following Towns bore the brunt of these public protests marches i.e. Grabouw, Villiersdorp as well as RSE. The Task Team in conjunction with the Traffic Wardens as well as other Law Enforcement Agencies was deployed to effectively contend with these public protest actions/marches.

The Division has been operational throughout the Theewaterskloof Municipal Area in the various Towns.

Various Law Enforcement initiatives were embarked upon, as from the 12th of September 2011, this included

- Vehicles stopped
- 56 Notices
- 341 Notices
- Warnings
- Door to door warrants served

Even though all these successes were reached, we had two (02) barriers namely, transport and petrol funds. These barriers had a huge impact on the operational deployment.

	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	OVERALL TOTAL
Summons Issued 56			9	73	6	17	22	43	170
Total Rand Value			R 4 600	R 30 100	R 2 700	R 6 100	10250	R 16 750	R70 500.00
Summons Issued 341			9	33	12	9	33	25	121
Total Rand Value			R 3 800	R 15 950	R 5 250	R 3 800	R 11 550	R 9 600	R49 950.00
Total Vehicle stopped	1374	2663	5209	2661	3675	3941	1966	1743	23232

3.16.1 TRAFFIC & LAW ENFORCEMENT SERVICE DATA

	Details	Year 2011/12	
		Estimate No.	Actual No.
1	Number of road traffic accidents during the year		7
2	Number of bye-law infringements attended		1124
3	Number of traffic officers in the field on an average day		10
4	Number of law enforcement officers on duty on an average day		

Table 72: Traffic/Law enforcement service data

3.16.2 EMPLOYEES: TRAFFIC SERVICES

The table below indicates the total number of Traffic Services Employees.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6	3	3	3	0	0%
7 - 9	33	37	37	0	35%
10 - 12	5	5	5		0%
13 - 15	1	1	1		0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	42	46	46	0	28%

Table 73: Employees: Traffic Services

3.16.3 FINANCIAL PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

The table below indicates expenditure within the Traffic and Law enforcement Services area.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,617,670	5,383,742	5,213,074	2,901,574	-86%
Expenditure:					
Employees	6,857,509	6,597,035	7,791,081	7,925,141	17%
Repairs and Maintenance	409,156	567,500	530,600	465,078	-22%
Other	2,796,235	2,818,597	2,764,348	2,561,314	-10%
Total Operational Expenditure	10,062,900	9,983,132	11,086,029	10,951,533	9%
Net Operational Expenditure	6,445,230	4,599,390	5,872,955	8,049,959	43%

Table 74: Financial Performance: Traffic and Law Enforcement

3.16.4 CAPITAL EXPENDITURE: TRAFFIC AND LAW ENFORCEMENT

The table below provides an estimated cost of all Traffic and Law Enforcement capital projects approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	68 250	68 250	23729.26	-188%	
Project A: Inventory	68 250	68 250	23 729.26	-188%	68 250

Table 75: Capital Expenditure: Traffic and Law Enforcement

3.17 DISASTER MANAGEMENT

Disaster management in the Theewaterskloof Municipality is co-managed with the Overberg Disaster and fire management.

The Overberg District Municipality provides backup in the form of firefighting and Disaster management equipment and personal.

The different areas serviced by the Overberg Fire brigade are: Caledon, Botriver, Tesselaarsdal, Middelton. Riviersonderend and Greyton/Genadendal are serviced by Caledon Fire Station.

Grabouw and Villiersdorp are serviced by Grabouw Fire station. Any other major incident is being backup by Bredasdorp main fire brigade.

Greyton and Genadendal has experienced difficulties with respond time from Caledon as a result a satellite station was established in Greyton equipped with volunteer fire fighters and a fire vehicle.

Theewaterskloof Disaster management also act proactively to prevent disaster incidents by cleaning and clearing rivers. These projects include: Gobos river in Greyton, Palmiet River in Grabouw and small contributory rivers in Caledon and Villiersdorp.

We also prevent veld and bush fires by creating fire breaks around all major hot spots, towns and farms. Clearing off alien vegetation by Disaster management also contributes to fire prevention.

Theewaterskloof disaster management further contributes to rescue incidents by contributing to an Helicopter fund at Overberg district Municipality Fire and Rescue. This helicopter is operational during; firefighting and rescue operations during floods.

3.17.1 FINANCIAL PERFORMANCE: DISASTER MANAGEMENT, ANIMAL CONTROL AND LICENCING

R'000					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance	301,010.00	745,346	434,000	430,722	-73%
Other	501,266.00	430,274	715,281	726,039	41%
Total Operational Expenditure	802,276.00	1,175,620	1,149,281	1,156,761	-2%
Net Operational Expenditure	802,276.00	1,175,620	1,149,281	1,156,761	-2%

COMPONENT G: SPORT AND RECREATION

3.18 SPORT AND RECREATION

The following sporting events were sponsored by the municipality during the 2011/ 2012 financial year:

Sporting Event	Description
Botriver Education Fund	The BEF (Botriver Education Foundation) was established by the community of Botriver to raise funds for students that excel in specific Mathematics and Economy. The amount of R40 000 was made available by TWK to support this initiative. A number of students already made it into University with one already in the third year.
Cape Epic	Is an international event. TWK continue to support in various manners such as monetary funding, assist with building of mountain bike trails and also other in-kind support eg traffic control, waste removal etc.

The municipal service delivery strikes has also resulted in the vandalism of some facilities namely the Villiersdorp Community Hall.

The budget for sport and specific sport facilities is very limited. Funds are only made available to maintain the current facilities. As a result of this most of TWK sport facilities are not up to standard.

The Government Gazette dated 31 May 2012 stated that 15% of MIG funding must be used for Municipal Sports Facilities. For TWK this means that an average of R4 million will be available for sport facilities each year. The application for these funds will be based on the IDP priorities.

3.18.1 EMPLOYEES: SPORTS AND RECREATION & PARKS

The table below indicates the total number of Sport and Recreation Employees.

Employees: Sport and Recreation					
Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12					#DIV/0!
13 - 15	1	1	1		0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	1	1	1	0	0%

Table 76: Employees: Sport & Recreation

3.18.2 EMPLOYEES: PARKS

The table below indicates the total number of Parks Employees.

Employees: Parks					
Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	23	25	24	1	4%
4 - 6	14	18	11	7	39%
7 - 9	19	23	23		0%
10 - 12	1	1	1		0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	57	67	59	8	12%

Table 77: Employees: Parks

3.18.3 FINANCIAL PERFORMANCE: SPORTS AND RECREATION

The table below indicates expenditure within the Sports and Recreations Services area.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	18,795	10,860	1,000	4,312	-152%
Expenditure:					
Employees	4,111,999	4,298,306	4,061,317	3,989,973	-8%
Repairs and Maintenance	1,908,363	2,016,250	1,869,312	1,853,965	-9%
Other	1,638,016	1,911,508	1,656,470	1,488,296	-28%
Total Operational Expenditure	7,658,378	8,226,064	7,587,099	7,332,234	-12%
Net Operational Expenditure	7,639,583	8,215,204	7,586,099	7,327,922	-12%

Table 78: Financial Performance: Sports and Recreation

3.18.3 CAPITAL EXPENDITURE: SPORT AND RECREATION

The table below provides an estimated cost of all Sport and Recreation capital projects approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	125 000	0	0	0	
Project A - Establishment of Mini Soccer and Netball Fields	125 000	0	0	#DIV/0!	0

Table 79: Capital Expenditure: Sports and Recreation

COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.19 EXECUTIVE AND COUNCIL

3.19.1 EMPLOYEES: EXECUTIVE AND COUNCIL

The table below indicates the total number of Employees within the Municipal Managers Office.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9	1	1	1	0	#DIV/0!
10 - 12	2	2	2	0	0%
13 - 15					#DIV/0!
16 - 18	2	2	2	0	0%
19 - 20					#DIV/0!
Total	5	5	5	0	#DIV/0!

Table 80: Employees: Executive and Council

3.19.2 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

The table below indicates expenditure within the office of the **Municipal Manager**.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	859,235		568999.12	950000	100%
Expenditure:					
Employees	2,141,874	2,109,203	2404100	2358284	11%
Repairs and Maintenance					
Other	1,082,023	1,605,311	2452896	1875003	14%
Total Operational Expenditure	3,223,896	3,714,514	4,856,996	4,233,287	12%
Net Operational Expenditure	2,364,662	3,714,514	4,287,997	3,283,287	-13%

Table 81: Financial Performance: : Executive and Council

3.19.3 CAPITAL EXPENDITURE: EXECUTIVE AND COUNCIL

The table below provides an estimated cost of all capital projects within the office of the Municipal Manager approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	217272	292272	97073	-124%	
Inventory - Office of the MM	10 500	10 500	7 013	-50%	10 500
Inventory - Admin Technical Services	206 772	281 772	90 060	130%	281 772
Inventory - Admin Operations - Caledon	235 000	215 600	204 830	15%	215 600
Inventory - Admin Operations - Greyton/Genadendal	127 600	108 333	42 686	199%	108 333
Inventory - Corporate Services	174 296	174 296	136 192	28%	174 296
Inventory - Admin Technical Services	0	0	50 790	-100%	0
Inventory - Admin Operations - Grabouw	196 620	177 287	166 160	18%	177 287
Inventory - Admin Operations - Riviersonderend	217 500	205 500	199 199	9%	205 500
Inventory - Admin Operations - Villiersdorp	160 500	155 500	153 992	4%	155 500
Opgradering van Raadsaal - Hoofkantoor, Caledon	250 000	250 000		-	250 000.00
Opgraderings Hoofkantoor, Caledon (previous Lift project at Town Hall)	200 000	200 000		-	200 000.00
Technical Offices		850 000	633 341	-100%	850 000.00
Victoria Hall		150 000		-	150 000.00
Building of Municipal Storehouse	300 000	300 000	286 502	5%	300 000.00
Upgrading of Fleet Infrastructure	1 100 000	1 112 574	1 026 273	7%	2 997 803
Multi Purpose Bus	0	62 102	0	-	188 511

Table 82: Capital Expenditure: Executive and Council

3.20 FINANCIAL SERVICES

R' 000						
Details of the types of account raised and recovered	Year 2009/10	Year 2010/11		Year 2011/12		
	Actual for accounts billed in year	Percentage Collection	Actual for accounts billed in year	Percentage Collection	Estimated outturn for accounts billed in year	Percentage Collection
Caledon	54 651 518.78	95%	61 296 599.60	100%	61 363 720.00	101%
Grabouw	32 635 825.81	76%	36 625 116.57	93%	38 842 644.72	90%
Villiersdorp	21 138 604.96	91%	22 647 221.47	104%	26 465 235.36	97%
Riviersonderend	9 872 193.44	94%	11 921 468.72	96%	13 273 569.62	99%
Greyton	13 185 303.32	97%	16 963 238.18	86%	16 495 301.56	106%
Genadendal	6 531 563.16	59%	8 641 421.04	63%	8 971 953.65	70%
Botrivier	5 207 626.00	80%	6 334 443.08	91%	7 101 482.56	87%
Tesselaarsdal	991 827.17	77%	1 104 058.74	84%	1 274 399.37	74%
Farms	7 249 608.68	120%	7 063 183.98	124%	8 239 357.20	91%
Total	151 464 071.32	89%	172 596 751.38	96%	182 027 664.04	96%

Table 83: Debt Recovery

3.20.1 EMPLOYEES: FINANCIAL SERVICES

The table below indicates the total number of Employees within Financial Services.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6	10	12	7	5	42%
7 - 9	31	38	36	2	5%
10 - 12	5	5	5	0	0%
13 - 15	5	4	4	0	0%
16 - 18	1	1	1		0%
19 - 20					#DIV/0!
Total	52	60	53	7	12%

Table 84: Employee: Financial Services

Theewaterskloof Local Municipality Annual Report 2011/12

3.20.2 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

The table below indicates expenditure within the Financial Services Directorate.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	41,427,086	55,087,666	43,634,642	42,886,206	-28%
Expenditure:					
Employees	11,620,549	12,328,322	12,523,850	12,515,048	1%
Repairs and Maintenance	193,538	382,500	356,000	387,721	1%
Other	2,154,738	10,613,048	11,789,696	13,346,511	20%
Total Operational Expenditure	13,968,825	23,323,870	24,669,546	26,249,280	11%
Net Operational Expenditure	-27,458,261	-31,763,796	-18,965,096	-16,636,926	-91%

Table 85: Financial Performance: Financial Services

3.20.3 CAPITAL EXPENDITURE: FINANCIAL SERVICES

The table below provides an estimated cost of all capital projects within the Financial Services Directorate approved by council.

R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	39 410	39 410	13 145	-200%	
Project A - Inventory - Financial Services	34 810	34 810	10 497	-232%	34 810
Project B - Inventory - Internal Audit	4 600	4 600	2 648	-132%	4 600

Table 86: Capital Expenditure:: Financial Services

3.21 HUMAN RESOURCES

3.21.1 EMPLOYEES: HUMAN RESOURCES

The table below indicates the total number of Employees within the Human Resources Department.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9				0	100%
10 - 12	4	2	2	0	0%
13 - 15	2	2	2		0%
16 - 18		0			0%
19 - 20					#DIV/0!
Total	6	6	4	0	0%

Table 87: Employees: Human Resources

3.21.2 FINANCIAL PERFORMANCE: HUMAN RESOURCES

The table below indicates expenditure within the Human Resources Department.

R'000					
Details	Year 2010/2011	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	228,684	25,035		639,798	96%
Expenditure:					
Employees	2,162,776	3,114,435	3,119,207	3,749,823	17%
Repairs and Maintenance	-	-	-	-	
Other	2,498,680	2,909,714	3,172,464	2,867,088	-1%
Total Operational Expenditure	4,661,456	6,024,149	6,291,671	6,616,911	9%
Net Operational Expenditure	4,432,772	5,999,114	6,291,671	5,977,113	0%

Table 88: Financial Performance: Human Resources

3.22 INFORMATION AND COMMUNICATION TECHNOLOGY

3.22.1 EMPLOYEES: ICT SERVICES

The table below indicates the total number of Employees within the ICT Department.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12	1	1	1	0	0%
13 - 15	1	1	1		0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	2	2	2	0	50%

Table 89: Employees: ICT

3.22.2 FINANCIAL PERFORMANCE: ICT RESOURCES

The table below indicates expenditure within the ICT Department.

R'000					
Details	Year 2010/11	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees	599,590	479,883	876,165	764,012	37%
Repairs and Maintenance	-	-	-	-	-
Other	1,111,626	3,510,921	3,523,723	2,742,685	-28%
Total Operational Expenditure	1,711,216	3,990,804	4,399,888	3,506,697	-14%
Net Operational Expenditure	1,711,216	3,990,804	4,399,888	3,506,697	-14%

Table 90: Financial Performance: ICT

3.22.3 CAPITAL EXPENDITURE: ICT

The table below provides an estimated cost of all capital projects within the ICT department.

Capital Projects	R' 000				
	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	254 000	304 000	282 486	10%	
Project A: Inventory Items	254 000	304 000	282 486	10%	304 000

Table 91: Capital Expenditure: ICT

3.23 PROPERTY, LEGAL, RISK MANAGEMENT, PROCUREMENT SERVICES AND OTHER

3.23.1 EMPLOYEES: VALUATIONS

The table below indicates the total number of Employees within the Valuations Department.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					
4 - 6					
7 - 9					
10 - 12					
13 - 15	1	1	1	0	0%
16 - 18					
19 - 20					
Total	1	1	1	0	0%

Table 92: Employees: Valuations

3.23.3 EMPLOYEES: ADMINISTRATION

The table below indicates the total number of Employees within Administration.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	5	11	11	0	8%
4 - 6	7	8	6	2	11%
7 - 9	11	18	18	0	0%
10 - 12	7	13	13	0	0%
13 - 15	5	6	5	1	17%
16 - 18	1	1	1		0%
19 - 20					#DIV/0!
Total	36	57	54	3	5%

Table 93: Employees: Administration

3.23.4 EMPLOYEES: PROPERTY MANAGEMENT

The table below indicates the total number of Employees within Property Management Department.

Job Level	Year 2010/11	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6	1	1	1		0%
7 - 9					#DIV/0!
10 - 12	1	1	1		0%
13 - 15	1	1	1		0%
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	3	3	3	0	0%

Table 94: Employees: Property Management

3.23.5 EMPLOYEES: IDP

The table below indicates the total number of Employees within the IDP Unit.

Job Level	Year 0	Year 1			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					#DIV/0!
4 - 6					#DIV/0!
7 - 9					#DIV/0!
10 - 12	1	5	1	4	80%
13 - 15					#DIV/0!
16 - 18	1	1	1		0%
19 - 20					#DIV/0!
Total	2	6	2	4	67%

Table 95: Employees: IDP

COMPONENT I: ORGANISATIONAL PERFORMANCE SCORE CARD

3.24 OVERVIEW OF PERFORMANCE (SDBIP_

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The top layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents, (IDP, Budget and Performance Agreements). In the table below illustrates the performance achieved per directorate.

Directorate	Financial year	Total KPI's	KPI's Extremely well Met	KPIs Well Met	KPIs Met	KPIs almost Met	KPIs not Met	% of KPI's met (100% and above)
Executive & Council	2010/11	7	0	0	4	1	2	
	2011/12	6	0	0	4	0	2	
Finance	2010/11	22	0	0	18	2	2	
	2011/12	16	0	2	8	2	4	
Corporate	2010/11	8	0	0	5	2	1	
	2011/12	13	0	0	6	2	5	
Development	2010/11	15	0	0	9	2	4	
	2011/12	18	0	0	9	0	9	
Technical	2010/11	17	0	0	5	2	10	
	2011/12	17	2	2	3	1	9	
Operations	2010/11	4	0	0	2	1	2	
	2011/12	8	0	1	2	5	0	

The final SDBIP differs somewhat to the original SDBIP.

The Top Layer SDBIP and its targets cannot be revised without notifying the council. All changes made in service delivery targets and performance indicators must be done with the approval of the council, following approval of an adjustments budget. Council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

The following elements necessitated the revision of the SDBIP:

1. The adjustment budget:

The adjustment budget was tabled and adopted by council on 29 February 2012.

Changes to the budget necessitate changes to the budget aspect of the SDBIP.

2. Auditor general's recommendation on the 2010/2011 Performance Audit:

The following audit findings and recommendations were made by the AG:

FINDINGS	RECOMMENDATIONS
Objectives and KPI's reflected in the IDP does not have targets that can be measured.	Reported information must be consistent with the planned objectives, indicators and targets.
KPI's and targets not well defined and measurable	Management should ensure that KPIs are well-defined and specific, so that KPI's can easily be measured.
PDO Consistency of SDBIP KPI targets	The SDBIP needs to be reviewed by management to ensure that there are consistencies between the target units, targets and KPI's at all levels
Logical link between indicators and targets	Management must review the SDBIP and APR at a higher level to eliminate any inconsistencies or uncertainties with regards to indicators, measures and targets

With respect to the findings of the AG and on request of the Performance audit committee, one on one sessions were held with the respective Directors and their heads of departments to ensure consistency with planned objectives, indicators and targets and also to ensure that the KPI's and targets followed the SMART principles (specific, measurable, reliable and time bound).

The revision of the top structure of the SDBIP deemed necessary in order to comply with the expectations of the Office of the Auditor General. This is also an effort to work towards a clean audit report in 2013.

3.25 PERFORMANCE (SDBIP) PER FUNCTIONAL AREA

3.25.1 EXECUTIVE AND COUNCIL

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12 Overall Performance				
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 71	Executive & Council	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	"100% of inventory capital budget spent" (minor assets)	"% of budget spent"(Total budget R 10 500)	100%	100%	100%	Carry Over	Target not achieved: Two items purchased: Refrigerator =R 1 999 Projector = R 5 259. YTD Expenditure = R 7 013.00	Savings under budgeted amount	100%	66.79 %	R
TL 70	Executive & Council	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	"100% of inventory capital budget spent" (minor assets)	"% of budget spent"(total budget = R 4 600)	100%	100%	100%	Carry Over	Target not achieved: Two visitor Chairs and blinds for DDIA's office. Total Spent = R 2 648.42 [30 Apr 2012]	Savings under budgeted amount	100%	58%	R
TL 59	Executive & Council	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	100% implementation of Anti-corruption role out plan	% of Anti-corruption role out plan implemented	New	100%	100%	Stand-Alone	Target achieved: Policy was work shopped with all towns and all departments. [30 Jun 2012]		100%	100%	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12	Overall Performance			
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 48	Executive & Council	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Revised Anti-Corruption Policy and strategy adopted by October 2011	1 x Approved - Revised Anti-Corruption Policy and strategy	1	1	1	Stand-Alone	Target achieved: Revised anti-corruption policy was presented to Council and approved on 27 October 2011 - Item C50/2011 [31 Oct 2011]		1	1	G
TL 60	Executive & Council	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Monitor implementation of AG recommendations	Bi-Annual Reporting to audit committee	100%	1	2	Accumulative	Target achieved: The 2009/2010 AG report was followed up and reported to Management and the Audit Committee. Item P&AC10/2011 (26 August 2011) [31 Aug 2011] Report was submitted to the Audit Committee on 1 June 2012 Item P&AC24/2012 [31 May 2012]		2	2	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12	Overall Performance			
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 43	Executive & Council	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Submit quarterly reports to the Audit Committee on the progress with the execution of the internal audit program	4 audit reports to Audit committee	4	4	4	Accumulative	Target achieved: 4th Quarter report form the 2010/2011 financial year was presented to AC on 26 August 2011; P&AC05/2011 [31 Aug 2011] 1st Quarter report form the 2011/2012 financial year was presented to the Audit Committee on 28 October 2011 [31 Oct 2011] 2nd Quarter report submitted to the Audit Committee on 24 February 2012; Item P&AC05/2012 [29 Feb 2012] 3rd Quarter Report was submitted to the Audit Committee on 1 June 2012 Item P&AC16/2012 [31 May 2012]		4	4	G

Theewaterskloof Local Municipality Annual Report 2011/12

3.25.2 FINANCE

Financial Services consist of the following units: (Director: Financial Services, Deputy Director financial Services, Budget Office, Revenue, Expenditure, SCM, Risk and Assets, Costing)

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 58	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Improve Service Debt Ratio.	Service Debtors to Revenue = Total Outstanding Service Debtors / Revenue Received for Services x 100	11	40%	60%	Stand-Alone	Target not achieved: Norm 10% - it is a indication that the write off of old/irrecoverable debt is not done.	Indication that unrecoverable debt could amount to as much as R40mil. Currently in process of appointing service provider to verify correctness of related data. Such a process of writing this amount off could take up to 6 months.	60%	93.85 %	R
TL 56	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Increase or Maintain the Cost Coverage Ratio annually current status by June 2013	Cost Coverage = Available Cash + Investments / Monthly Fixed Operating Expenditure (30 days)= 1 Month	18	1	1	Stand-Alone	Target Achieved: Quarter 1 =2 Quarter 2=1.16 Quarter 3= 1.39 Quarter 4=1.25 Average =1.45. Overall cash available =1.27		1	1.27	G 2

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 57	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Maintain the Debt Coverage Ratio at current levels.	Debt Coverage = Total Operating Revenue - Operating Grants Received / Debt Service Payments due within the year x 100	11	14%	22%	Stand-Alone	Target partially Achieved: Actual result of 13% is an improvement of the previous year's actual of 11%.	Revised target has been overly optimistic. Initial target should have remained.	22%	13%	O
TL 15	Finance	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	Number of households earning less than R 2320 (2 x pension) per month with access to free basic services	number of households (100% of all qualifying applications)	6420	100%	100%	Stand-Alone	Target Achieved: All qualifying applications have been processed.		100%	100%	G
TL 19	Finance	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	% collection rate of billing achieved by June 2012	95 % collection rate	95	95%	95%	Carry Over	Target achieved: Target based on actual collection + Debt written off.	in future, target will be set excluding written off debt.	95%	96%	G 2
TL 18	Finance	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Process re-engineering: "Complete the roll out of implementation plan for the Data Cleansing by November 2011"	"% completed"	New	100%	100%	Stand-Alone	Target not achieved: Implementation plan not rolled out.	Project not rolled out due to unavailability of staff as a result of the MMC as well as resignation of project leader	100%	0%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 20	Finance	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Tariff Policy reviewed by May 2012	1 council approved Policy	New	1	1	Stand-Alone	Target achieved: Reviewed at Special Council Meeting of 24 May 2012 [31 May 2012]		1	1	G
TL 55	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	"100% of inventory capital budget spent" (minor assets)	"% of budget spent" (Total = R 34 810)	100	100%	100%	Carry Over	Target not achieved: Spending rate has declined due to waiting for vacant positions to be filled within Asset and SCM Units [30 Jun 2012]	Savings under budget amount	100%	26%	R
TL 64	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Annual Budget. Approval of final budget by end May Annually	1 approved budget	100%	100	1	Stand-Alone	Target Achieved: Budget approved at Special Council Meeting of 24 May 2012 [31 May 2012]		1	1	G
TL 44	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Asset Management per GRAP standards. Asset Register balanced and reconciled to financial statements	100% Annually	100%	100%	100%	Stand-Alone	Target Achieved: Financial Statements for 2010/2011. Balanced GRAP asset register was completed at the end of August 2011 and reconciled to the financial statements after corrections was made during the Audit.		100%	100%	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 61	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Monthly MFMA s71 Reporting	12 reports	12	12	12	Accumulative	Target achieved: Form part of the consolidated monthly report which go to the portfolio committee, MEC and Council. [30 Jun 2012]	Junes report will be available in July	12	12	G
TL 49	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Monthly report on conditional grant spending (capital)	Number of reports	12	12	12	Accumulative	Target achieved: Form part of the consolidated monthly report which go to the portfolio committee, MEC and Council. [30 Jun 2012]		12	12	G
TL 51	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Monthly report on conditional grant spending (operational)	Number of reports	12	12	12	Accumulative	Target achieved: Form part of the consolidated monthly report which go to the portfolio committee, MEC and Council.		12	12	G
TL 63	Finance	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Tabling of Mid-Year ASSESSMENT. Budget Assessment tabled by 25 January annually	1 report	100%	100	1	Stand-Alone	Target achieved: Mid-Year Assessment approve by Council per resolution C10/2012 dated 25 January 2012 and Adjustment Budget approve by Council per resolution C23/2012 dated 29 February 2012		1	1	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 25	Finance	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	100% spending on MSIG Allocated funds	"% of budget spent" (Total budget = R 744 545)	0.00%	100%	100%	Carry Over	Original budget = R 447 458. Adjusted Budget = R 744 545. YTD expenditure = R744 546	Stats to change with final reconciliation of budget.	100%	100%	G
TL 22	Finance	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Total budget spent on pre-paid water meters installed by June 2012	100% of budget spent	R 5.2 million	100%	100%	Carry Over	Manager: Revenue: Busy with installation of meters, estimated completion date: June 2012 Total Budget amount R 7 205 291 YTD spend (R6 625719)	Manager: Revenue: Savings rolled over to new financial year with adjustments budget in August	100%	92%	O

Theewaterskloof Local Municipality Annual Report 2011/12

Corporate services comprises of the following units: (Director Corporate, Deputy Director Corporate/Legal, Administration, ICT, Valuations, Council Support, Human Resources)

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 69	Corporate	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	"100% of inventory budget spent" (minor assets)	"% of budget spent"(total budget = R 478 296)	100%	100%	100%	Carry Over	Target partially achieved: Actual YTD expenditure = R 699391. Over expenditure is due to items purchased on Operating budget transferred to Capital budget.		100%	146.00 %	G
TL 52	Corporate	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	100% spending of capital grants and loans on all corporate services allocated projects	"% of budget spent" (Total budget = R 561 109)	95	95%	100%	Carry Over	Target not achieved: Adjustment Capital Budget amounted to R 561 109. An additional amount of R 850 000 was allocated in March 2012, Council resolution C30/2012 for the conversion of council owned house into office accommodation for the Directorate Technical services. Total Budget = R 1 411 109. YTD spending =R705276.73	The following Capital Projects will be addressed in the Adjustments Budget and handled as roll over to the new financial year: Upgrading of Council Chambers = R 250 000 and the upgrading of Toilet facilities in main building = R 200 000	100%	63.20%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 38	Corporate	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	% of people from employment equity target groups employed in the three highest levels of management in compliance with the municipalities approved employment equity plan	At least 80 % of all the vacancies advertised to be filled with EE candidates in the following posts (1) Top management, (2) Senior management (3) Professionally qualified /mid management	80%	80%	80%	Stand-Alone	Target partially achieved: There were no position vacant or advertised on the first three levels. Appointments will be made in terms of the goals and targets as set out in the EE Plan. [31 Mar 2012]	Appointments will be made according to the numerical goals and targets as determined by the EE Committee.	80%	66%	O
TL 39	Corporate	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	% of workplace skills budget spent on implementing workplace skills plan	at least 95 % of budget spent by 4th quarter	50% (end March)	95%	95%	Carry Over	Target achieved: 99.09 % of the Training Budget was spent as on 30 June 2012 [30 Jun 2012]		95%	95.00%	G
TL 5	Corporate	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	100% spending on MSIG allocated funds	"% of budget spent"(total budget = R 554 000)	New	100%	100%	Carry Over	Target not achieved: Total Budget = R 241413 and Total YTD Expenditure = R 115526 =47.85 Origioonal budget of R554 000 adjusted to R 241413	With respect to the productivity investigation, Grabouw is identified as pilot project. Will use Productivity SA to do the Pilot. No need to go out on tender. The outcome of the pilot will determine full roll out.	100%	47.85%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 45	Corporate	Plan and implement the restructuring, establishment, induction, training and institutionalisation of council and ward committees	Corporate Governance	13 Ward committees established and inducted by August 2011 empowerment plan	number of ward committees	13	100	13	Accumulative	Target achieved: 13 Ward committees established and inaugurated. letters to all successful ward committee candidates were submitted		13	13	G
TL 46	Corporate	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Adoption of quarterly progress reports on outstanding council resolutions to council	Quarterly (4) monitoring of council resolutions	4	4	4	Accumulative	Target achieved: Council 4th Quarter: Resolution C30/2011 - 28 July 2011 [31 Jul 2011] 1st Quarter: Council Resolution C53/2001 dated 27 October 2011 [31 Oct 2011] 2nd Quarter: Was submitted to Council on 25/01/2012 - Council Resolution C02/2012. [31 Jan 2012] 3rd quarter: SC10/2012 dated 24/05/12 - Council approval of quarterly progress report [31 May 2012]		4	4	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 47	Corporate	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Comply with the National Archive services	1 report (submission of amendments to file plan by June 2012)	100%	100	1	Stand-Alone	Target not achieved.	Amendment/Ad ditions to file plan will be submitted to national Archive Services before the end of July 2012. [30 Jun 2012]	1	0	R
TL 26	Corporate	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Updated valuation role (Annual Supplementary roles (December & June))	2 X Annual Supplementary roles	2	2	2	Accumulati ve	Target achieved: First Valuation Roll was handed over to Financial Department for implementation January 2012 on debtors accounts. Objection period ended 20 December 2011. [31 Dec 2011] Second Supplementary Roll was received from the valuer. Advertisements in the media on 30 March 2012 and 6 April 2012 for inspection by the owners concerned. Notices were send out to all owners on the second supplementary roll. Appeal board meeting on 12 March 2012 for first supplementary		2	2	G

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
										roll. [31 Mar 2012]				

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 32	Corporate	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	"Conduct/complete a productivity improvement investigation by June 2012	% completion of investigation	New	100%	100%	Carry Over	Target not achieved: Tender evaluated on 27 January 2012. Adjudication committee to meet during Feb 2012 [31 Jan 2012] Tender report referred to the Tender Adjudication Committee for a decision [29 Feb 2012] The Tender Adjudication Committee resolved to refer the tender specifications to the management team for further discussions. The Adjudication com. resolved to cancel the tender. This is mainly due to the tenderers capability to perform on the tender. [31 May 2012]	With respect to the productivity investigation, Grabouw is identified as pilot project. Will use Productivity SA to do the Pilot. No need to go out on tender. The outcome of the pilot will determine full roll out.	100%	50%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 33	Corporate	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Adoption of policies/to secure successful recruitment and retention of key skills by March 2012.	1 x recruitment and selection policy 1 x scarce skills policy	New	2	2	Stand-Alone	Target not achieved. Recruitment and Selection Policy was adopted by Council on 11 Sept. 2011. The Scarce Skills Policy was discussed by the Policy Working Group on 04 April 2012.	The Scarce Skills Policy was discussed by the Policy Working Group on 04 April 2012. The Policy will be tabled at the Local Forum on 25 July 2012 where after it will be referred to Council for approval [30 Jun 2012]	2	1	R
TL 34	Corporate	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Approved IT strategy and upgrading programme. IT implementation plan based on 5 year plan, adopted by IT steering committee and council by March 2012	1 approved IT implementation plan	New	1	1	Stand-Alone	Target achieved: The IT Strategy was adopted by the IT Steering Committee and Council in 2009. the implementation plan is incorporated in the 5 year strategy		1	1	G
TL 31	Corporate	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Productivity Improvement process plan adopted by management team by July 2011	1 x process plan	New	1	1	Stand-Alone	Target achieved: Process plan adopted by Municipal Manager and scoping document approved by the Local Labour on 27 July 2011.	Process has changed as per ref TL32 above	1	1	G

3.25.4

DEVELOPMENT

Development Services comprises of the following units: (IDP, LED, Property Management, Town Planning, Building Control, Traffic, Housing, Sports and Sustainable Development)

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 72	Development	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	"100% of inventory capital budget spent" (minor assets)	"% of budget spent" (total budget = R473 017)	100	100%	100%	Carry Over	Target not achieved: The tender for the two way radios for the Traffic departments was coordinated by the Technical Department as one tender was put out for the purchase of two way radios. the tender was adjudicated in June, however had to be cancelled due to service provider not having stock to deliver within the financial year and also wanting prepayment before deliver.	Savings under budget amount	100%	76.65%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 73	Development	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	100% spending of MSIG allocated funds	"% spend" (R 105 500)	100	100%	100%	Carry Over	Target achieved: Salary = R 8 660 (Agatha Hoffman - Performance administrator) =ytd = 105 306		100%	100%	G
TL 78	Development	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	100% spending of Capital Funds (Development contribution = R 2150 000)	"% spend".	100	100%	100%	Carry Over	Target not achieved:	The capital expenditure could not materialise due to the transfer of the of Victoria business site not being finalised before the end of the financial year. The amount made available on the capital budget was not physical money and had to be earned through the sale of the Victoria Hall before spending. As the transfer was not finalised the Capital projects could not be initiated. These	100%	0%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
											projects will be rolled over to the 2012/13 financial year and initiated once the Victoria hall fund is available.			
TL 53	Development	To improve administration in general, in towns and also between officials and councillors.	Financial Viability	R value of total conditional grants spent on Housing	R value spent	100	R 33,977,000	R 33,977,000	Accumulative	Target not achieved: An additional amount of R5mil was received for Destiny Farm. Funds is in a suspense account. Due to Destiny transfer not being finalised within the financial year. Total amount spent on the allocated housing budget = R 26 647 187.91.	Amounts are expected to change when Reconciliations is done in August due to late payments. 78% to date spent	R 33 977 000	R 26 647 187.91	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 8	Development	Establish a healthy 'social fabric'	Service Delivery and Integrated Human Settlements	Number of socio development programmes facilitated focussing on Youth development, skills development, NGO's and communities	4 initiatives or programmes implemented	4	4	4	Accumulative	<p>Target achieved:</p> <p>1) The TB events was held in Botriver - 23/03/2012, Caledon - 17/03/2012 and Grabouw 24/03/2012 in partnership with department Health. [29 Feb 2012]</p> <p>2) Partnership with the botrivier education foundation. TWK is the main sponsor for this event and has apart from the in kind contributions eg cleaning, waste removal contributed R 40 000 to this event which was utilised for T/shirts, brochures, advertising, medals ect. The aim of this project is to have a MBT/Running event whereby funding is raised which is utilised for potential students to further their studies in aspects such as economics, medicine, accountancy.</p> <p>3 & 4) Registered 2 social projects</p>		4	4	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 7	Development	To address the housing backlog in the theewaterskloof area	Service Delivery and Integrated Human Settlements	237 erven fully serviced with respect to roads infrastructure (Water sanitation and storm water already installed)	Number of erven serviced ito (UISP)	230	230	237	Accumulative	Target not achieved: Contractor & Sub-contractor dispute has slowed construction. Redesign on storm water drainage was received late. Sub-surface drainage design was required and not finalised before the end of the financial year. Suspension of manager also impacted on performance	Application has been approved by the Provincial Technical department and is submitted to the finance department. Province has given an indication that approval will be granted by end November 2012. In the meantime roads have been shaped and benched.	237	0	R
TL 66	Development	Foster a safe and secure environment	Corporate Governance	Adoption of Law Enforcement strategy by March 2012	1 plan	n/a	1	1	Stand-Alone	Target not achieved: Strategy was completed and served before Management on 5th March 2012. Management resolved to adopt it as an SOP and not a strategy.	Municipal Manager requested that a remedial strategy addressing the law enforcement challenge in the TWK be compiled by October 2012. This serves as an indicator on the Director Developments Performance	1	0	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
											Agreement for the 2012/13 financial year			
TL 62	Development	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Adoption of Annual Report. Annual report adopted as per legal compliance (Tabled by 25th January and adopted 2 months after tabling)	100% compliance	100%	100%	100%	Stand-Alone	Target achieved: Annual Report adopted at march council meeting [31 Mar 2012]. Ref C29/2012		100%	100%	G
TL 65	Development	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Revised IDP. Revision and approval of 5year IDP by end May annually	100% compliance	100%	100%	100%	Stand-Alone	Target achieved: Adopted by Council 24 May 2012. Council Resolution C43/2012 Send to National Treasury/Province 05 June 2012. [31 May 2012]		100%	100%	G
TL 29	Development	Create an enabling environment for a developing Theewaterskloof economy	Local Economic Development	"Quarterly report on the Implementation of projects plans (Gypsy Queen, Flight Park, Extension 12, GAP 108, Victoria Hall and Caravan Park)	"number of reports"	New	4	3	Accumulative	Target not achieved: Report was submitted to Portfolio. Ref Dev 36/2011 and Ref Dev 11/2012	2nd quarter submitted as un-official report	3	2	R

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 28	Developme nt	Create an enabling environment for a developing Theewaterskloof economy	Local Economic Development	Quarterly report to the portfolio and steering committee on the Implementation of tourism implementation plan as per targets set(4 interventions implemented)	"Number of reports"	New	4	3	Accumulati ve	Target achieved: submitted. Ref:DEV35/2011, Dev 34/2011, 2nd quarter submitted as un-official report Dev 13/2012		3	3	G
TL 27	Developme nt	Create an enabling environment for a developing Theewaterskloof economy	Local Economic Development	SMME framework and action plan developed and Council approved by September 2011	1 x Framework and Action Plan	New	1	1	Stand- Alone	Target achieved: SMME Framework Council Approved 27th October Resolution number: C65/2011 [31 Oct 2011] NGOs and private sector partners identified and brought into the SMME support system. First job and reference portal to be launched in May in Grabouw		1	1	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 36	Development	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Bi annual (2) performance reporting to council (midterm and final) as per legislation	"number of reports".	2	2	2	Accumulative	Target achieved: 4th quarter report tabled at council on 27th October 2011. Ref C59/2011 [31 Oct 2011] Mid-year performance assessment tabled at council on 25th January 2012 ref:C06/2012 [29 Feb 2012]		2	2	G
TL 35	Development	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Quarterly performance reporting (M&E) to Management, PAC	"number of reports"	100%	4	4	Accumulative	Target achieved: 4th Quarter Reports (2010/11) Ref: M134/2011- presented to management on 15/08 2011 and P&AC03/2011- presented to PAC on 29/08/2011 01st Quarter Ref: P & AC 18/2011 and M156/2011 02nd Quarter :Mid-Year report discussed at Management on 06/02/12 Ref:M18/2012 and at the PAC on 25/01/2012 ref:P&AC17/2011		4	4	G

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
										03rd Quarter: Ref P & AC 25/2012 and Ref M98/2012				
TL 42	Development	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	Area based plan as per Neighbourhood Development Programme Grant (NDPG) initiative	1 area based plan (Ward 11)	New	1	1	Stand-Alone	Target achieved: Adopted with IDP on 24 May 2012 council Resolution C43/2012 [31 May 2012]. Area Based Plan for Ward 11 included in IDP		1	1	G
TL 40	Development	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Improve the turnaround time for 90% of new building plan approvals within 28 working days	number of applications finalised within 28 working days expressed as percentage to number of applications received.	80%	90%	90%	Stand-Alone	Target not achieved: 137 applications approved within the specified timeframe and 90 not approved within the specified timeframe reasons for under performance are as follows: due to outstanding amendments from the applicant, Delays in circulation of plans – recommendations from external and internal departments; Town Planning	A town Planning Management System has been purchased and Installed During June. All old applications will be capture and updated. This new system will streamline applications and provide adequate statistics.	90%	46.66%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Ref	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
										approval				
TL 41	Development	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Improve the turnaround time for new Development applications to 95% approvals within 12 weeks by June 2012	number of applications finalised within 12 weeks expressed as percentage to number of applications received.	80%	95%	95%	Stand-Alone	Target not achieved: 14 approval within timeframe and 37 not approved within timeframe. Reason-external and internal comments outstanding or outstanding advertisement fees	A town Planning Management System has been purchased and Installed During June. All old applications will be capture and updated. This new system will streamline applications and provide adequate statistics.	95%	3.00%	R
TL 9	Development	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	Approved Spatial Development Framework	Approval (council and DEADP)	75%	100	100	Stand-Alone	Target not achieved: SDF is currently with DEADP for final approval. [31 Jan 2012]	SDF was referred back to Consultants to address the identified gaps by means of the BESP. BESP was approved by council on 20/06/2012 Ref SC12/2012. BESP referred to DEADP for finalisation	1	0	R

Theewaterskloof Local Municipality Annual Report 2011/12

3.25.5 TECHNICAL

The Technical Services unit comprises of:(Water, Waste Water, Solid Waste, Electricity, Civil and PMS)

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Overall Performance for Sep 2011 to Jun 2012				
										Jun-12 Departmental SDBIP Comments	Jun-12 Departmental Corrective Measures	Target	Actual	R
TL 14	Technical Services	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	"Connect newly constructed RDP Houses in the TWK Supply Area to the national grid"	% of newly constructed RDP Houses connected to the grid	100	100%	100%	Stand-Alone	Target not achieved: A total of 28 RDP houses in Villiersdorp handed over. 11 connected to the GRID.	16 houses still to be completed in the next 3 months. Terrain next to the houses to be stabilised to accommodate the cables	100%	39%	R
TL 13	Technical Services	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	report on # of Households with access to basic levels of Electricity	"Report submitted at the end of June 2012)	New	100	1	Stand-Alone	Target achieved: Report available. 6038 TWK houses connected to the electricity supply. Eskom supply area 8900 structures		1	1	G
TL 30	Technical Services	Create an enabling environment for a developing Theewaterskloof economy	Local Economic Development	Quarterly reporting on number of job opportunities co-funded through EPWP job funds	number of reports	New	84	3	Accumulati ve	Target achieved: Monthly reports are submitted to Department public works.	Technical services is only facilitating the process and not responsible for the number of jobs created.	3	3	G

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 6	Technical Services	To ensure effective infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs and make provision for development	Financial Viability	"100% of inventory budget spent" (minor assets)	"% of budget spent"(total budget = R 799 122)	New	1%	1%	Carry Over	Target achieved: YTD spending = R1 143739 [30 Jun 2012] Over expenditure is due to items purchased on Operating budget transferred to Capital budget.	Expenditure needs to be journal into correct votes. Correct expenditure will only reflect at the end of August 2012.	100%	143.00 %	G 2
TL 50	Technical Services	To improve administration in general, in towns and also between officials and councillors.	Corporate Governance	"100% spending on all Technical allocated projects"	"% of budget spent" (total budget = R43 028 438)	95	95%	100%	Carry Over	Target not achieved: YTD spending = R30 060 479.04 [30 Jun 2012]	All projects where funding remains will roll over to 2012/13 where spending will continue. [30 Jun 2012]	100%	70.68%	R
TL 54	Technical Services	To improve administration in general, in towns and also between officials and councillors.	Financial Viability	"100% spending on MSIG allocated funds"	"% of budget spent"(total Budget = R 245 000)	100	100%	100%	Carry Over	Target achieved: 100% of budget spent[30 Jun 2012].		100%	100.00 %	R

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Overall Performance for Sep 2011 to Jun 2012				
										Jun-12	Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual
TL 24	Technical Services	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	"Install electricity prepaid meters according to budget projections"	% of budget spent (R2752 199. MIL)	0	100%	100%	Carry Over	Target not achieved: Contract terminated. Waiting on new generation meters. YTD expenditure = R 1 740 060.34 [30 Jun 2012]	Waiting for new generation prepayment meters [30 Apr 2012]. Tender to be put out on RF meters as soon as the communication problem is sorted out. +- December 2012 .Tender to be put out on PLC Meters as soon as the dual band frequency meters roll out. Could not get a date from supplier. Undetermined.	100%	63%	R
TL 23	Technical Services	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Expenditure Management: Unaccounted for Electricity reduced to 10%	Annual calculation (kWh billed / kWh purchased)	12%	9%	10%	Reverse Stand-Alone	Target achieved: Actual of 7% achieved compared to the target of 10% [30 Jun 2012]. Exceptional achievement		10%	7.24%	B

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 37	Technical Services	Refine and improve the institutional capacity of the municipality	Municipal Transformation and Organisational Development	Fleet Management strategy and program addressing matters like maintenance, incident management, replacement of fleet and driver performance monitoring adopted by council by March 2012	1 x Fleet Management Strategy and Role out Plan	New	1	1	Stand-Alone	Target not achieved: Vehicle Strategy Plan Not Adopted [30 Apr 2012]	Management referred strategy back for review. It has since been passed by management and portfolio.	1	0	R
TL 1	Technical Services	To ensure effective infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs and make provision for development	Service Delivery and Integrated Human Settlements	A conditions assessment of current dirt roads to establish a need for permanent surfaces conducted and presented to council by March 2012	1 conditions assessment report	New	1	1	Stand-Alone	Target not achieved: Documents back from council for amendments. [31 Mar 2012]	Conditions assessment was completed. A report was compiled in which proposals were made in line with the Pavement Management system. Report was rejected by management. To be resubmitted during November 2012. Roads listed for upgrading in 2012/13 were prioritised in the above report.	1	0	R

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 2	Technical Services	To ensure effective infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs and make provision for development	Service Delivery and Integrated Human Settlements	Roads maintenance program developed and standards established through SOP's by November 2011	1 Road Maintenance SOP	New	1	1	Stand-Alone	Target achieved: The document was tabled at management meeting of 05/12/11. At this meeting it was accepted as the SOP of TWK [30 Nov 2011]		1	1	G
TL 3	Technical Services	To ensure effective infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs and make provision for development	Service Delivery and Integrated Human Settlements	Identify sewerage and water network risks and adoption of risk mitigation plan by council by March 2012. Report to have specific reference to RSE, Grabouw & Botrivier	1 Sewerage and Water networks Risk Mitigation Plan	New	1	1	Stand-Alone	Target not achieved: Documents back from council for amendments [31 Mar 2012]	Risk identification and mitigation plan was amended according to the MM's request and requirements. To be resubmitted during September 2012.	1	0	R
TL 4	Technical Services	To ensure effective infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs and make provision for development	Service Delivery and Integrated Human Settlements	Status assessment of storm water systems and adoption of risk mitigation plan by March 2012	1 Storm Water Systems Risk Mitigation Plan	New	1	1	Stand-Alone	Target not achieved: Risk plan is completed, and will be submitted to management for approval [30 Jun 2012]	Risk identification and mitigation plan was amended according to the MM's request and requirements. To be resubmitted during September 2012.	1	0	R

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 68	Technical Services	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	Waste water quality	% compliance to microbiological limits		100%	100%	Stand- Alone	Target not achieved: 4 out of the 7 wastewater treatment works scores 100% [31 Jul 2011] 1 out of the 7 system had 100% compliance [31 Aug 2011] 3 out of the 7 system scored 100% compliance [30 Sep 2011] 5 out of the 7 systems scored 100% compliance [31 Oct 2011] Most of the Wastewater Treatment Works are currently running over its design capacity which results in incomplete processing therefore contributing to the total noncompliance. [30 Nov 2011] We had 2 failures out of the total 7 monitoring points [31 Dec 2011] Of our 7 WWTW system only 5 showed compliance of 100% [31 Jan	Three treatment plans, Caledon, Grabouw and Villiersdorp remain to be upgraded. Most of the plans fail during winter period when the inflow is much higher resulting in insufficient treatment. In the case of Villierdorp and Grabouw, MIG and other funding is available to do the necessary upgrades which should be completed during 2015. in the case of Caledon where it is unlikely that TWK will be able to fund the upgrade from internal resources, alternative methods are being investigated to reduce and improve the effluent from	90%	70.30%	R

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
										2012] one out of the seven WWTW scored full compliance [29 Feb 2012]. All seven Systems had compliance of 100% [30 Apr 2012]. 6 out of the seven systems achieved 100% compliance [31 May 2012]	SABM in order to reduce the load on the plant, ensuring a window period where capacity will not be a problem. continuous efforts are being employed to ensure better training of operating staff to ensure that processes are being followed.			

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 67	Technical Services	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	Water quality	% compliance for ecoli (health parameter) per monitoring point	95%	100%	98%	Stand- Alone	Target partially achieved: 4 failures out of the total 24 monitoring points reported in December [31 Dec 2011] 2 Failures reported in Feb and communicated with the Towns [29 Feb 2012] DD: Technical Services: Januaries report indicated all systems complied to the drinking water standard SANS 241 [31 Jan 2012]Some failures at monitoring points <i>[30 Apr 2012]. Operational Failures occurred at Genadendal (2 points) [31 May 2012]</i>	Intensify monitoring and hold responsible operators accountable in consultation with Director Operations.	98%	96.51%	O
TL 21	Technical Services	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Expenditure Management: unaccounted for Water reduced to 15% by June 2013	Annual calculation of water (Kl purchased / Kl sold by Municipality)	23	15%	20%	Reverse Stand- Alone	Target achieved: We have obtained an average of 15% water loss for 2011/2012 <i>[30 Jun 2012]</i>		20%	15%	B

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Overall Performance for Sep 2011 to Jun 2012				
										Jun-12	Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual
TL 16	Technical Services	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	% Compliance of Blue Drop Assessment	Blue Drop Status	60%	1%	75%	Stand- Alone	Target achieved: Municipal Blue Drop Score 2011: 75.41%		75%	75.41%	G 2

Theewaterskloof Local Municipality Annual Report 2011/12

3.25.6 OPERATIONS

The Operations unit comprises of the following Town Administrations: (Grabouw, Villiersdorp, Caledon, Riviersonderend, Botrivier, Greyton, Genadendal, Tesselaarsdal)

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 77	Operations	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	100% of inventory capital budget spent (minor assets)	% of budget spent (total budget R 862 220)		100%	100%	Carry Over	Target partially achieved: YTD Expenditure = R 761710 Gryeton budget for radios but could not procure due to problems with the awarding of the tender. Tender cancelled as Service Provider requested prepayment prior to delivery and could not provide stock before end of financial year.	savings on budgeted amount	100%	88.34%	C
TL 76	Operations	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	100% spending of capital grants and loans on all operational services allocated projects	% of budget spent (total budget R 2 283 935)		100%	100%	Carry Over	Target partially achieved: Target partially achieved: Adjusted budget = R 2533935. YTD =R 2098009.76. 'n Raadsbesluit (R30/2012) was gemaak om Destiny Toilets aan te bring vir die ekstra bedrag van R250 000 wat gealokeer is vir hierdie projek. Sodoende het die	Vleistraatbrug (Myddleton) - not completed as SANRAL has committed to the completion of the bridge.	100%	82.80%	C

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012			
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R	
										goedgekeurde bedrag van R2 283 935 verhoog na R2 533 935. [30 Jun 2012]. Kapitale spanderings : Toilette Goniwe Park (Villiersdorp) - 100% / Toilette New France (Botrivier) - 100% / Toilette CBD Villiersdorp - 100% / Opgradeer Donkinplein - 100% / Toilette Destiny (Villiersdorp) - 100% / Werkswinkel (RSEnd) - 100% / Vleistraatbrug (Myddleton) - 45% <i>Vleistraatbrug (Myddleton) - 45%</i>					

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Overall Performance for Sep 2011 to Jun 2012				
										Jun-12		Target	Actual	R
Departmental SDBIP Comments	Departmental Corrective Measures													
TL 75	Operations	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Spending of allocated funds on operational budget	95% spending of approved budget (building maintenance)		95%	95%	Carry Over	Target partially achieved: Adjusted budget=R911000.00 Ytd Spending on All Towns R1194369.64 [30 Jun 2012]. Spanderings : Cal/Botr/ Tes - 108%, Grabouw - 103%, Villiersdorp - 50%, RSEnd - 99%, Greyt/Gen - 67%. The upgrade of the Villiersdorp office did not materials due to non-compliance to supply chain procedures. Tenderer could not complete project . contract cancelled. too late to appoint a new contractor..		95%	131.11 %	G2

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 74	Operations	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	spending of allocated funds on operational budget	95% spending of approved water networks budget		95%	95%	Carry Over	Target Partially achieved: YTD spending on All Towns R1 349558.13. Adjustment Budget =R1363500.00 [30 Jun 2012]. Spanderings : Cal/Botr/ Tes - 91%, Grabouw - 110%, Villiersdorp - 95%, RSEnd - 92%, Greyt/Gen - 80%.		95%	98.98%	G2
TL 12	Operations	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	No of households with basic water service in informal areas (backlog 9036) by December 2010- 200m from dwelling	90 additional households (15 hh per stand (6) additional stands)	9036	6	90	accumulative	Target achieved: Taps were install with the toilets and was part of the procurement process. Botrivier New Frans (6), Caledon Informal (6), Villiersdorp (28) stand installed		90	600	B
TL 11	Operations	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	Water, sanitation & refuse removal - % of HH in formal areas connected to minimum service levels and above-	100 % connections of all new applications (new developments + RDP households)	100	500%	100%	Stand-Alone	Target achieved: 100% of applications received have been connected.		100%	100.00 %	G

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 10	Operations	Achieve day to day service delivery standards in towns as per agreements with local communities and per corporate requirements	Service Delivery and Integrated Human Settlements	Average rating of 3 per SLA for all towns	Average rating achieved"	3.5	3	3	Stand- Alone	Target partially achieved: Villiersdorp - 3.5 Genadendal/Grey ton - 3.03 RSE - 2.06 Caledon - 2.85 Botrivier - 3.28 Teslaarsdal - 3. Grabouw - 2.01 Gemiddeld van alle dorp - 2.81 [30 Jun 2012]	Once a satisfactory grading is received on an SLA by the Service Level Agreement Advice Forum (SLAAF), new SLA's are entered into. As new SLA's were entered into by Caledon and RSE in the middel of the financial year this brought the grading down. the average rating of 3 will only be acheived in the new financial year as the service delivery will improve based on the SLA.	3	2.77	O

Theewaterskloof Local Municipality Annual Report 2011/12

Re f	Directorate	IDP Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Jun-12		Overall Performance for Sep 2011 to Jun 2012		
										Departmental SDBIP Comments	Departmental Corrective Measures	Target	Actual	R
TL 17	Operations	To ensure sustainable Financial Management of the Theewaterskloof Municipality and execute legislative requirements	Financial Viability	Spending of allocated funds on Operational budget	95 % spending of approved budget (Roads operational budget)	95	95%	95%	Carry Over	Target achieved: YTD spending on all Towns R2 235748.52. Adjusted budget =R 2277017.89 [30 Jun 2012]. Spanderings : Cal/Bot/Tes - 95%, Grabouw - 100%, Villiersdorp - 95%, RSEnd - 94%, Gryet.Gen - 95%.		95%	98.19%	G 2

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

The municipality currently employs 569 officials, who individually and collectively contribute to the achievement of the Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.1 EMPLOYMENT EQUITY

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

4.1.1 EMPLOYMENT EQUITY TARGETS/ACTUALS

	African			Coloured			Indian			White		
Year	Target	Actual	Target reach	Target	Actual	Target reach	Target	Actual	Target reach	Target	Actual	Target reach
2010	114	105	92%	422	422	100%	1	1	100%	58	54	93%
2011	205	105	51%	457	423	93%	4	2	50%	111	53	48%
2012	169	104	62%	429	415	97%	1	1	100%	74	49	66%

Table 98: Employment Equity Targets

	Male			Female			Disability		
Year	Target	Actual	Target reach	Target	Actual	Target reach	Target	Actual	Target reach
2010	415	408	98%	181	175	97%	2	2	100%
2011	415	408	98%	305	175	57%	2	0	0%
2012	440	405	92%	233	164	70%	8	3	37%

4.2 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

4.2.1 EMPLOYEES

Employees					
Description	Year 2010/11	Year 2011/12			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	49	55	52	3	6%
Waste Water (Sanitation)	47	54	49	5	10%
Electricity	19	24	19	5	26%
Waste Management	33	34	29	5	17%
Housing	10	18	9	9	100%
Waste Water (Stormwater Drainage)	72	72	67	5	7%
Roads	99	113	102	11	11%
Traffic	42	46	46	0	0%
Town Planning	9	15	8	7	88%
Local Economic Development	2	2	2	2	0%
Planning (Strategic & Regulatory/IDP)	2	2	2	0	0%
Finance	52	60	53	7	13%
Administration	32	48	32	16	50%
HR	6	6	6	0	0%
IT	2	2	2	0	0%
Property Management	3	3	3	0	0%
Parks	58	68	60	8	13%
Libraries	29	31	30	1	3%
Valuations	1	1	1	0	0%
Internal Audit	5	5	5	0	0%
Totals	572	659	575	82	3

Table 99: Employee Totals

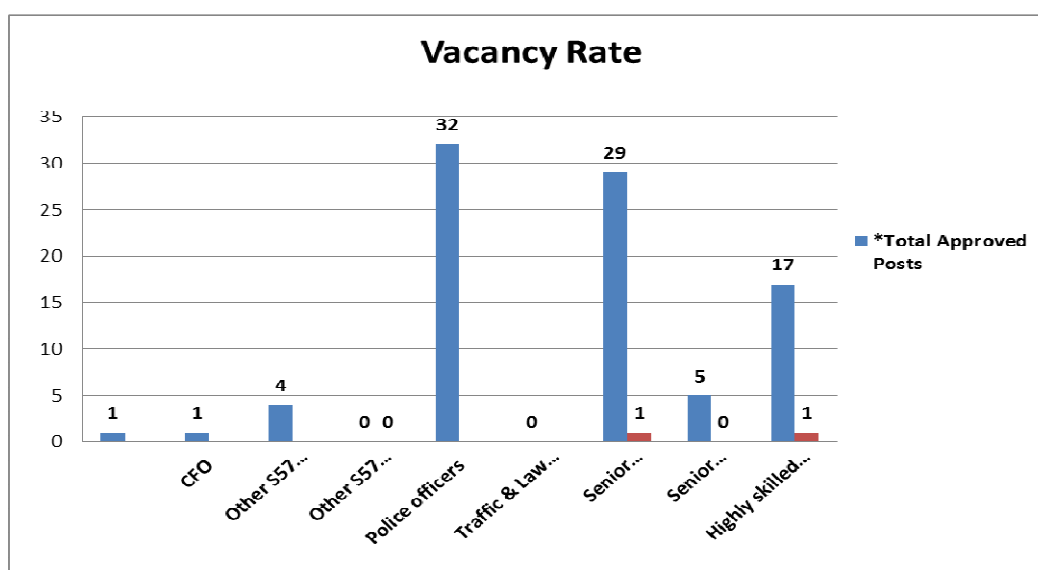
4.2.2 VACANCY RATE

The approved organogram for the municipality had **714** posts for the 2011/12 financial year. The actual positions filled are indicated in the tables below by post level and by functional level.

Below is a table that indicates the vacancies within the municipality:

Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1		0.00
CFO	1		0.00
Other S57 Managers (excluding Finance Posts)	4		0.00
Other S57 Managers (Finance posts)	0	0	0.00
Police officers	0		0.00
Traffic & Law Enforcement	32		0.00
Senior management: Levels 13-15 (excluding Finance Posts)	29	1	3.45
Senior management: Levels 13-15 (Finance posts)	5	0	0.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	17	1	5.88
Highly skilled supervision: levels 9-12 (Finance posts)	12	1	8.33
Total	101	3	2.97

Table 100: Vacancy Rates



Graph4: Vacancy Rates

4.2.3 TURN OVER RATE

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. The critical challenge for the current administration is to attract and retain scarce skills in the workplace.

The turnover rate shows a slight **decrease** from 7.3% in 2010/11 to 5% in 2011/12.

The table below indicates the turn-over rate over the last three years:

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2008/09	559	40	7%
2009/10	585	32	5.4%
2010/11	572	42	7.3%
2011/12	569	29	5%

Table 101: Turn Over Rates

Our turnover rate for the past years has been below 10% which indicates that it is well within in National and International benchmarks. This rate can be attributed to normal attrition, staff leaving for better prospects as well as through the disciplinary process.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

The Human Resource division comprises of HR Administrative Services. This section is responsible for the administration of leave, fringe benefits, medical aid contributions and housing schemes. The Occupational health and Safety section, as well as the Training and skills development.

Managing the municipal workforce refers to analyzing and coordinating employee behaviour.

4.3 POLICIES

4.3.1 HR POLICIES AND PLANS

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still needs to be developed:

HR Policies and Plans				
	Name of Policy	Completed	In Process of being Reviewed	Date adopted by council or comment on failure to adopt
1	Affirmative Action (Employment Equity)	x		15 September 2011.
2	Attraction and Retention		x	
3	Code of Conduct for employees	x		Schedule 2 – Municipal Systems Act [Act 32 of 2000]
4	Delegations, Authorisation & Responsibility	x		Revised by council 24 th March 2011- new council adopted on 31 May 2011
5	Disciplinary Code and Procedures	x		Negotiated on Bargaining Council Level (Adopted 01 July 2010)
6	Essential Services		x	Parties could reach an agreement on the services that was identified as Essential. The Draft Agreement will be discussed at the Local Labour Forum meeting that is scheduled for 25 July 2012.
7	Employee Assistance / Wellness		x	A draft Policy currently under consultation
8	Exit Management	x		Exit interview are held with employees leave the organisation.

Theewaterskloof Local Municipality Annual Report 2011/12

9	Grievance Procedures	x		In terms of Main Collective Agreement that was adopted on Bargaining Council Level on 01 May 2007
10	HIV/Aids		x	Policy is currently in a Draft format
11	Human Resource and Development		x	A draft Policy currently under consultation
12	Information Technology	x		Policy was adopted on 15 September 2011
13	Job Evaluation	x		All Job Evaluation completed in terms of the T.A.S.K Job Evaluation System.
14	Leave		x	Scheduled to be tabled at Local Labour Forum during August
15	Occupational Health and Safety	x		Policy adopted by Council on 29 July 2010
16	Official Housing (subsidy)	x		Adopted at bargaining council level
17	Travel and Subsistence	x		Policy reviewed and approved 29 July 2010
18	Official transport to attend Funerals			none
19	Official Working Hours and Overtime		x	A draft Policy currently under consultation
20	Organisational Rights	x		Main Collective Agreement – Adopted on Bargaining Council Level
21	Payroll Deductions	x		Statutory deductions
22	Performance Management and Development	x		January 2010
23	Recruitment, Selection and Appointments	x		Employment Practice Policy adopted on 15 September 2011.
24	Remuneration Scales and Allowances	x		As per Salary and Wage Collective Agreement - Adopted on Bargaining Council Level.
25	Resettlement	x		Current policy
26	Sexual Harassment	x		Adopted on 29 July 2010
27	Skills Development	x		Workplace Skills Plan – Adopted on 30 June 2011.
28	Smoking	x		Adopted on 26 May 2008
29	Bursary	x		Adopted on 15 October 2008
30	Substance Abuse	x		Adopted on 15 September 2011
31	Uniforms and Protective Clothing	x		Adopted on 29 July 2010
32	Transport Policy	x		Adopted on 24 April 2012
33	Medical Assistance for former employees	x		Adopted on 05 May 2011

Table 102: HR Policies and Plans

All HR Policies are discussed by the Policy Working Group that comprises of top Management and representatives from the Unions, where after it is referred to the Local Labour Forum for approval. Good

progress is being made with the adoption of HR Policies and procedures, and we are well within our target of adopting at least 2 policies in a year.

4.4 INJURIES, SICKNESSES AND SUSPENSIONS

4.4.1 NUMBER AND COST OF INJURIES ON DUTY

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows a major **increase** for the 2011/12 financial year from 53 employees injured in the 2010/11 to 235.

Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	235	39	16.60%	6	R 85 634.00
Temporary total disablement	0	0	0.00%	0	R 0.00
Permanent disablement	0	0	0.00%	0	R 0.00
Fatal	0	0	0.00%	0	R 0.00
Total	235	39	16.60%	47	R 85 634.00

Table 103: Number and Costs of Injuries on Duty

The table below indicates the total number of injuries over a four year period:

Total number of Injuries	
2008/09	121
2009/10	113
2010/11	53
2011/12	39

Injuries are being recorded and investigated in terms of regulation 9 of the Occupational Health and Safety Act. The investigation also makes provision for action taken by the Employer to prevent the recurrence of a similar incident and also recommended steps to prevent a recurrence.

4.4.2 NUMBER OF DAYS AND COST OF SICK LEAVE (*EXCLUDING INJURIES ON DUTY*)

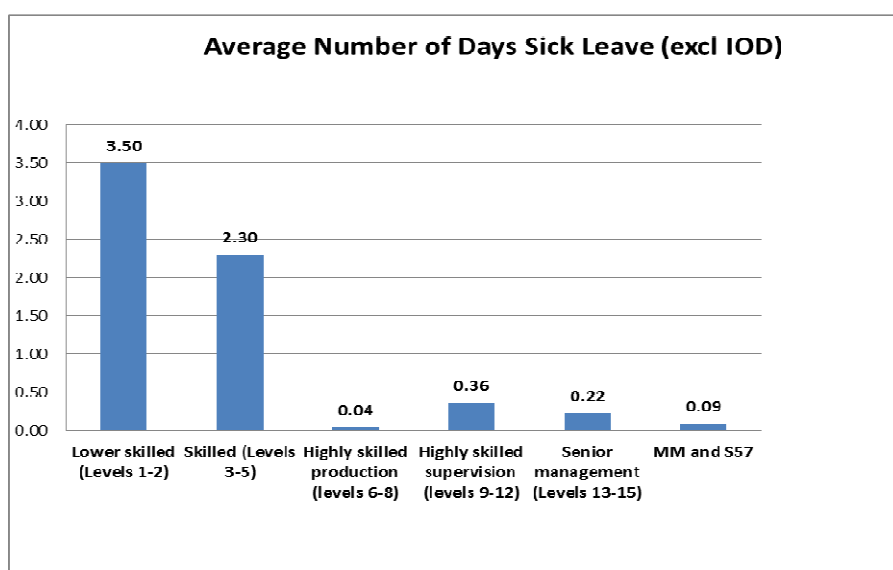
The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of employees taken sick leave during the 2011/12 financial year shows a **decrease** when comparing it with the 2010/11 financial year.

Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	1934	25%	202	212	3.50	R 547 971.20
Skilled (Levels 3-5)	1272	23%	160	218	2.30	R 627 350.40
Highly skilled production (levels 6-8)	22	30%	6	17	0.04	R 13 772.00
Highly skilled supervision (levels 9-12)	198	45%	28	72	0.36	R 112 733.28
Senior management (Levels 13-15)	124	30%	22	27	0.22	R 133 929.92
MM and S57	48	40%	6	6	0.09	R 137 398.48
Total	3598	32%	424	552	6.52	R 1 573 155.28

Table 104: Number and Costs of Sick leave

Total number of Sick Leave	
2008/09	2390
2009/10	3458.5
2010/11	3738
2011/12	3598



Graph5: Average Number of Days Sick Leave

4.4.3 NUMBER AND PERIOD OF SUSPENSIONS

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Deputy Director Development	Alleged Sexual Harassment	20/10/2011	Disciplinary Hearing was held. Employer did not except the outcome and took matter on review.	Case not yet finalised
Manager Housing	Alleged Wasteful and fruitless	28/05/2012	Hearing was scheduled for 22 June 2012. Chairperson withdrew from the case. Another Chairperson must be appointed.	Case not yet finalised.
Manager Traffic	Alleged Wasteful and Fruitless Expenditure	07/06/2012	Case still under investigation	Case not yet finalised
3 x General Workers	Alleged Theft	06/01/2012	Hearing scheduled for 27 July 2012 & 14 August 2012	Case not yet finalised
Examiner of Vehicles	Alleged Corruption	13/04/2012	Hearing scheduled for 17 August 2012	Case not yet finalised

Table 105: Number and Period of Suspensions

In terms of the Disciplinary Code only officials from other departments or from other municipalities can be appointed as Presiding Officers and Employer Representatives. The availability of the officials is a huge

problem. There are simply not enough officials with the necessary expertise and knowledge to handle disciplinary hearings. The Code further states that the Employer Representative must be at a level more senior than the employee(s) who is/are being charged, which makes the “pool” of available officials even smaller.

Another factor is the constant requests for postponements from the Unions

Five (5) officials were sent on an Initiator and Chairperson training and hopefully this initiative will speed up the finalization of the disciplinary hearings.

4.5 PERFORMANCE REWARDS

4.5.1 PERFORMANCE REWARDS BY GENDER

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 2011/12	Proportion of beneficiaries within group
				R' 000	%
Lower skilled (Levels 1-2)	Female				
	Male				
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male	6	6	R 678 312.00	100%
Total		6	6	R 678 312.00	100%

Table 106: performance Rewards

The implementation of performance management to lower levels of staff will be considered at a later stage.

It has been decided that a comprehensive Productivity assessment of all individuals need to be conducted prior to the evaluation of individual performance.

The productivity assessment is one of the top priorities during the 2011/2012 financial year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

Policies for internal bursaries are in place. The training committee which follows a well-organized procedure involving all relevant role-players meets on a monthly basis after the local labour forum meeting. Transparent regulation of all courses involves the unions SAMWU and IMATU in all decision making.

4.6 SKILLS DEVELOPMENT AND TRAINING

4.6.1 SKILLS MATRIX

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Employees in post as at 30 June Year 2011	Number of skilled employees required and actual as at 30 June Year 2012											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 2011	Actual: End of Year 2012	Target	Actual: End of Year 2011	Actual: End of Year 2012	Target	Actual: End of Year 2011	Actual: End of Year 2012	Target	Actual: End of Year 2011	Actual: End of Year 2012	Target
MM and s57	Female	0												
	Male	6		6	6							0	6	6
Councillors, senior officials and managers	Female	18		4	4	3	12	12				3	16	16
	Male	33		12		9	11	9				9	23	9
Technicians and associate professionals*	Female	1				1	1	1				1	1	1
	Male	38				21	10	10				21	10	10
Professionals	Female	11	4	4	4	4	7	7				8	11	11
	Male	20	3	3	3	13	6	6				16	2	2
Sub total	Female	30	4	8	8		20	20				4	28	28
	Male	97	3	21	9		27	25				3	41	27
Total		127		29	17		47	45		0	0		69	55

Table 107: Skills Matrix

4.6.2 FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT

Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	0	0	0
<i>Chief financial officer</i>	1	0	1	0	0	0
<i>Senior managers</i>	1	0	1	0	0	0
<i>Any other financial officials</i>	8	0	8	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	0	0	0
<i>Supply chain management senior managers</i>	1	0	1	1	1	1
TOTAL	13	0	13	1	1	1

Table 108: Financial Competency: Progress Report

4.6.3 SKILLS DEVELOPMENT EXPENDITURE

The table below indicates that a total amount of **R 580 000** was allocated to the Workplace skills plan and that **99%** of the total amount was spent in the 2011/12 financial year:

Management Level	Gender	Employees as at the beginning of the financial year	Original Budget and actual expenditure on skills development 2011/12							
			Learnerships		Skills Programmes and other short courses		Other forms of training		Total	
			No	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM & S57	Male	6								
Legislators, senior officials and Managers	Male	33								
	Female	18								
Professionals	Male	20								
	Female	11								
Clerks	Male	18								
	Female	63								
Service and sales workers	Male	52								
	Female	40								
Plant and machine operators and assemblers	Male	69								
	Female	3								
Elementary occupations	Male	181								
	Female	44								
Sub Total										
Total		558	R 325 000	R 325 000	R 200 000	R 195 000	R 55 000	R 45 000	R 580 000	R 575 000

Table 109: Skills Development Expenditure

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.7 EMPLOYEE EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance (excluding councilor remuneration) for the past three financial years and that the municipality is well within the national norm of between **35 to 40%**:

4.7.1 WORKFORCE EXPENDITURE TRENDS

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	(R'000)	(R'000)	(%)
2008/09	74 296	199 046	37
2009/10	89 964	244 528	37
2010/11	96 475	257 309	37
2011/12	109 179	323 811	34

Table 110: Workplace Expenditure Trends

Below is a summary of Councilor and staff benefits for the year under review:

Financial year	2008/9	2009/10	2010/11			
Description	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000	R'000	R'000
<u>Councillors (Political Office Bearers plus Other)</u>						
Salary	4,507	4,728	4,933	5,439	5,255	5,737
Pension Contributions						
Medical Aid Contributions						
Motor vehicle allowance	410	648	792	867	1,752	1,085
Cell phone allowance	520	278	297	324	350	346
Housing allowance						
Other benefits or allowances						
In-kind benefits						
Sub Total	5,437	5,654	6,022	6,630	7,357	7,168
% increase-			-4.4			
<u>Senior Managers of the Municipality</u>						
Salary	2,671	3,790	4,281	4,687	4,687	5,003
Pension & Medical Aid	228	376	432	450	450	306
Motor vehicle allowance	526	575	578	578	578	578

Theewaterskloof Local Municipality Annual Report 2011/12

Cell phone allowance	52	53	53	53	53	
Housing allowance	84	104	106	106	106	
Performance Bonus		392	668			678
Other benefits or allowances	56	94	315	128	128	
In-kind benefits						
Sub Total	3,617	5,384	6,433	6,002	6,002	6,565
% increase	3%	49%	19%			
Other Municipal Staff						
Basic Salaries and Wages	41,003	48,750	58,325	62,836	63,700	63,109
Pension & Medical Aid	9,130	11,406	12,721	13,761	13,838	14,144
Motor vehicle allowance	3,763	4,151	3,976	3,880	4,038	4,043
Cell phone allowance						
Housing allowance	633	576	542	568	541	669
Overtime	2,555	2,907	2,102	2,574	2,862	2,046
Other benefits or allowances	8,267	10,761	8,174	11,189	11,044	18,605
Sub Total	65,351	78,551	85,840	94,808	96,023	102,613
% increase	21%	20%	9%			
Total Municipality	74,405	89,589	98,295	107,440	109,382	116,346
% increase						

Table 111: Councillor and Staff benefits

4.7.2 NUMBER OF EMPLOYEES WHOS SALARIES WERE IINCREASED DUE TO TEIR POSITIONS BEING UPGRADED

Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	
	Male	
Skilled (Levels 3-5)	Female	
	Male	
Highly skilled production (Levels 6-8)	Female	3
	Male	
Highly skilled supervision (Levels9-12)	Female	3
	Male	4

Senior management (Levels13-16)	Female	
	Male	2
MM and S 57	Female	
	Male	
Total		12

Table 112: Number of Employees Whose Salaries were increased due to positions being upgraded

4.7.3 EMPLOYEES WHOS SALARY LEVELS EXCEED THE GRADE DETERMINED BY JOB EVALUATION

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Clerks	14	T09 – T10	R 116 784.00 – R 170 664.00 pa	The implementation of the wage curve agreement as well as the evaluation of jobs resulted in some incumbents being personal to incumbent.
Service and sales workers	20	T06 – T08	R 76 200.00 – R 134 640.00 pa	The implementation of the wage curve agreement as well as the evaluation of jobs resulted in some incumbents being personal to incumbent.
Plant and machine operators and assemblers	7	T04 – T05	R 58 704.00 – R 83 784.00 pa	The implementation of the wage curve agreement as well as the evaluation of jobs resulted in some incumbents being personal to incumbent.
Elementary occupations	2	T02 – T03	R 55 980.00 – R 67 680.00 pa	The implementation of the wage curve agreement as well as the evaluation of jobs resulted in some incumbents being personal to incumbent.

Table 113: Employees whose salary levels exceed the grade determined by job evaluation

CHAPTER 5

FINANCIAL PERFORMANCE

CHAPTER 5: FINANCIAL PERFORMANCE

This chapter contains information regarding financial performance and highlights specific accomplishments. This chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

5.1.1 FINANCIAL SUMMARY

R' 000						
Description	2010/11	Current Year:2011/12			Year 2011/12 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
<u>Financial Performance</u>						
Property rates	41,130	39,742	43,408	43,226	-8.77%	0.46%
Service charges	108,211	122,388	117,961	120,757	1.33%	-2.28%
Investment revenue	1,665	1,450	1,450	1,738	-19.87%	-19.87%
Transfers recognised - operational	47,961	52,505	60,322	57,693	-9.88%	5.01%
Other own revenue	31,127	22,640	25,745	27,109	-19.74%	-6.03%
Total Revenue (excluding capital transfers and contributions)	230,093	238,725	248,887	250,523	-4.94%	-0.69%
Employee costs	96,476	102,027	105,827	109,179	-7.01%	-3.29%
Remuneration of councillors	6,022	7,357	7,357	7,168	2.57%	2.57%
Depreciation & asset impairment	7,804	12,323	11,023	8,465	31.31%	20.76%
Finance charges	10,934	13,440	11,340	13,857	-3.11%	-18.73%

Theewaterskloof Local Municipality Annual Report 2011/12

Materials and bulk purchases	34,790	42,000	42,000	41,475	1.25%	1.25%
Transfers and grants	–	–	–			
Other expenditure	101,135	107,262	88,824	143,668	-33.94%	-51.13%
Total Expenditure	257,161	284,409	266,371	323,811	-13.85%	-20.20%
Surplus/(Deficit)	(27,068)	(45,684)	(17,484)	(73,288)	-60.43%	-122.15%
Transfers recognised - capital	53,435	59,382	49,320	52,578	11.46%	-5.49%
Contributions recognised - capital & contributed assets						
Surplus/(Deficit) after capital transfers & contributions	26,367	13,698	31,836	(20,711)	251.19%	383.60%
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	26,367	13,698	31,836	(20,711)	251.19%	383.60%
Capital expenditure & funds sources						
Capital expenditure	44,623	87,304	82,951	64,898	25.66%	20.68%
Transfers recognised - capital	28,339	59,382	49,405	42,662	28.16%	11.36%
Public contributions & donations	–	–	–			
Borrowing	8,055	21,285	26,374	18,573	12.74%	36.65%
Internally generated funds	8,230	6,637	7,172	3,663	44.80%	52.86%
Total sources of capital funds	44,623	87,304	82,951	64,898	25.66%	20.68%

Table 114: Financial Summary

5.1.2 FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES

Financial Performance of Operational Services						
R '000						
Description	Year 0	Year 1			Year 1 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	26,320	30,028	26,628	35,508	15.43%	25.01%
Waste Water (Sanitation)	14,172	15,290	13,566	18,554	17.59%	26.88%
Electricity	41,115	47,497	45,628	47,115	-0.81%	3.16%
Waste Management	16,901	12,241	13,238	20,907	41.45%	36.68%
Housing	3,714	5,887	5,762	3,867	-52.24%	-49.01%
Component A: sub-total	102,221	110,943	104,822	125,951	11.92%	16.78%
Roads	19,179	24,097	20,068	20,097	-19.90%	0.15%
Component B: sub-total	19,179	24,097	20,068	20,097	-19.90%	0.15%
Planning	10,270	12,024	10,800	10,187	-18.03%	-6.02%
Local Economic Development (included in Planning)	3,084	3,314	3,256	3,080	-7.61%	-5.72%
Component B: sub-total	10,270	12,024	10,800	10,187	-18.03%	-6.02%
Community & Social Services	4,111	4,329	462	277	-	-66.69%
Environmental Protection	170	140	140	109	-28.55%	-28.47%
Security and Safety	7,248	5,775	7,022	9,207	37.27%	23.73%
Sport and Recreation	7,640	8,215	7,586	7,328	-12.11%	-3.52%
Corporate Policy Offices and Other	9,310	25,437	29,322	33,816	24.78%	13.29%
Component D: sub-total	28,478	43,896	44,532	50,737	13.48%	12.23%
Total Expenditure	60,148	190,960	180,222	206,973	7.74%	12.92%
In this table operational income (but not levies or tariffs) is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.1.2

Table 115: Financial Performance of Operational Services

5.2 GRANTS

5.2.1 GRANT PERFORMANCE

R' 000						
Description	Year 0	Year 1			Year 1 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<u>Operating Transfers and Grants</u>						
National Government:	66,203	73,663	77,011	69,944	5%	10%
1. Equitable Share (Indigent)	43,654	46,935	48,363	44,750	5%	8%
2. Local Government Financial Management Grant (FMG)	924	1,250	1,606	1,716	-37%	-9%
3. Municipal System Improvement Grant (MSIG)	1,064	1,200	1,336	1,336	-11%	0%
4. Municipal Infrastructure Grant (MIG)	20,306	21,577	21,577	19,550	9%	9%
5. National Electrification Programme (NEP)		1,000	1,000	1,000	0%	0%
6. Expanded Public Works Programmes	256	1,701	3,129	1,464	14%	98%
7. Neighbourhood Development Programme Grant				127		
Provincial Government:	34,311	37,674	46,591	39,108	-4%	20%
1. Integrated Housing and Human Settlement & Dev. Grant	32,437	33,977	38,795	31,624	7%	21%
2. CDW Operational Support Grant	444	156	234	145	7%	57%
3. Spatial Planning			30	-		
4. Development of Recreational Facilities (Sportfields)	692		-	-		
5. Maintenance Of Proclaimed Main Roads	60	2,828	2,828	2,828	0%	0%
6. Local Government Project Preparations Grant			69	-		
7. Library Service Conditional Grant	678	713	4,234	4,234	-494%	0%
8. Financial Management Support Grant			400	-		
9. Regional Bulk Infrastructure Grant				277		
District Municipality:	-	-	-	-		
<i>[insert description]</i>						

Theewaterskloof Local Municipality Annual Report 2011/12

Other grant providers:	882	–	256	1,219		
1.GIS			23	22		
2.LGSETA	229		–	640		
3.DBSA LEDI	635		132	557		
4.Botrivier Development Policy			39	-		
5.Dennekruin Town Establishment	18		–	-		
6.Multi-purpose Bus			62	-		

Table 116: Grant Performance

5.2.2 GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT

Details of Donor	Actual Grant Year 0	Actual Grant Year 1	Year 1 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
DBSA LEDI	635 156.48	556 600	0			LED

Table 117: Grants Received from Sources other than Division of Revenue Act

5.3 ASSET MANAGEMENT

5.3.1 TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED

Asset 1				
Name	Grabouw water treatment plant upgrade			
Description	Upgrade of the water treatment plant to increase treatment capacity			
Asset Type				
Key Staff Involved	Technician			
Staff Responsibilities	Maintain and operate the plant			

Theewaterskloof Local Municipality Annual Report 2011/12

Asset Value (accumulated spending to 11/12)	2008/09	2009/10	2010/11	2011/12
				R15m
Capital Implications	0			
Future Purpose of Asset	0			
Describe Key Issues	To sustain potable water supply to a growing population			
Policies in Place to Manage Asset				
Asset 2				
Name	Grabouw bulk water upgrade phase 3: Eikenhof raw water pipeline			
Description	Construction of a new raw water pipeline from Eikenhof dam to supply water to the community of Grabouw			
Asset Type				
Key Staff Involved	Technicians			
Staff Responsibilities	Maintenance of pipeline			
Asset Value	2008/09	2009/10	2010/11	2011/12
				R 7m
Capital Implications	0			
Future Purpose of Asset	0			
Describe Key Issues	To sustain potable water supply to a growing population			
Policies in Place to Manage Asset	Yes			
Asset 3				
Name	Botrivier reservoir & Pumpstation			
Description	Construction of a new 3Ml reservoir and pumpstation to augment the water supply to the community of Botrivier			
Asset Type				
Key Staff Involved	Technicians			
Staff Responsibilities	Operation and maintenance of the reservoir and pumpstation			

Theewaterskloof Local Municipality Annual Report 2011/12

Asset Value	2008/09	2009/10	2010/11	2011/12
			R5m	
Capital Implications				
Future Purpose of Asset				
Describe Key Issues	To sustain potable water supply to a growing population			
Policies in Place to Manage Asset	Yes			

Table 118: Treatment of the largest three Assets Acquired

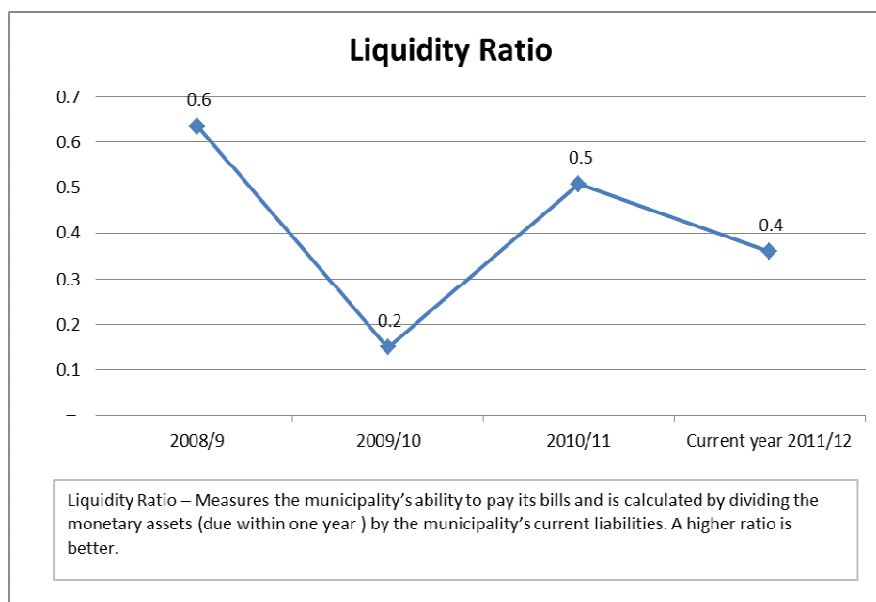
5.3.2 REPAIR AND MAINTENANCE EXPENDITURE

	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	17 343 895	15 850 050	15 553 160	10.32%

Table 119: Repairs and maintenance expenditure

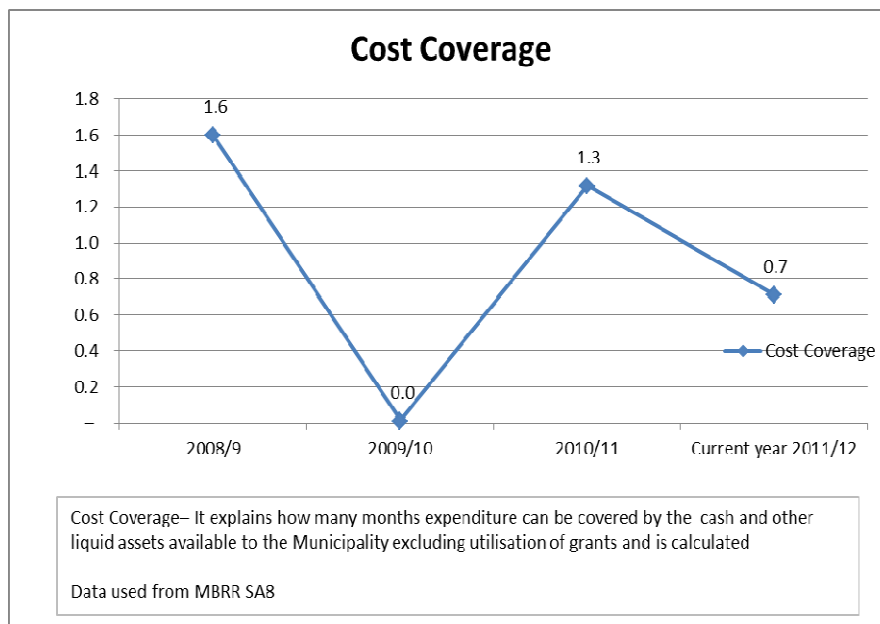
5.4 FINANCIAL RATIOS

5.4.1 LIQUIDITY RATIOS



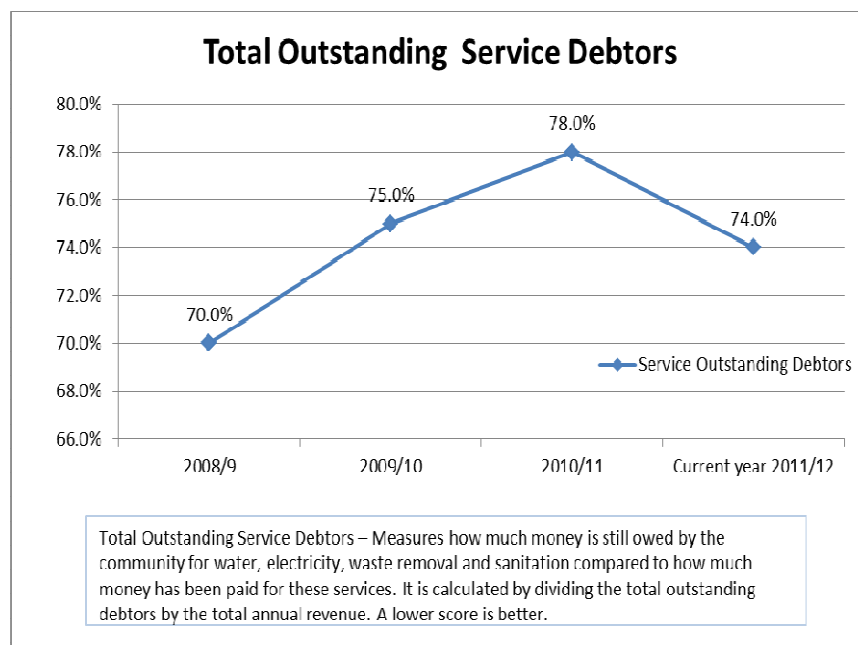
Graph6: Liquidity Ratio

5.4.2 COST COVERAGE



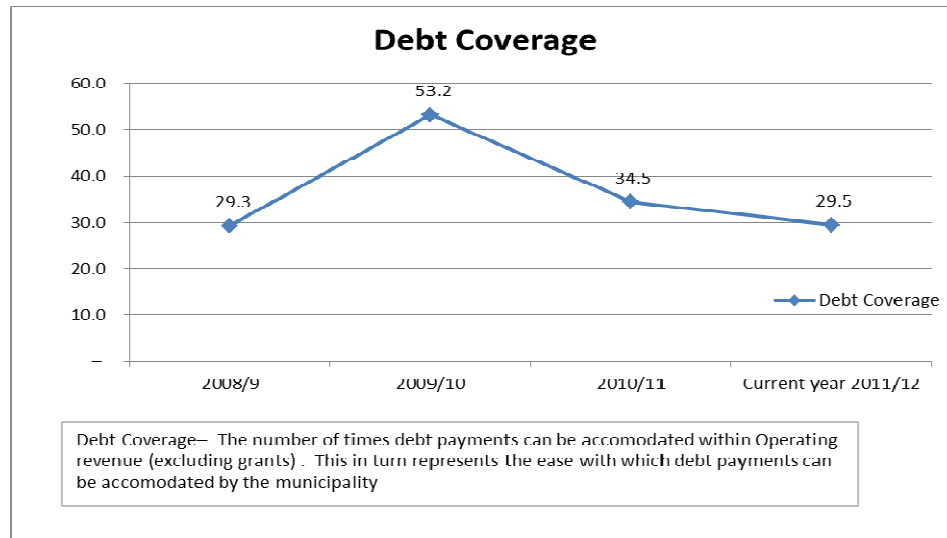
Graph7: Cost Coverage

5.4.3 OUSTANDING SERVICE DEBTORS TO REVENUE



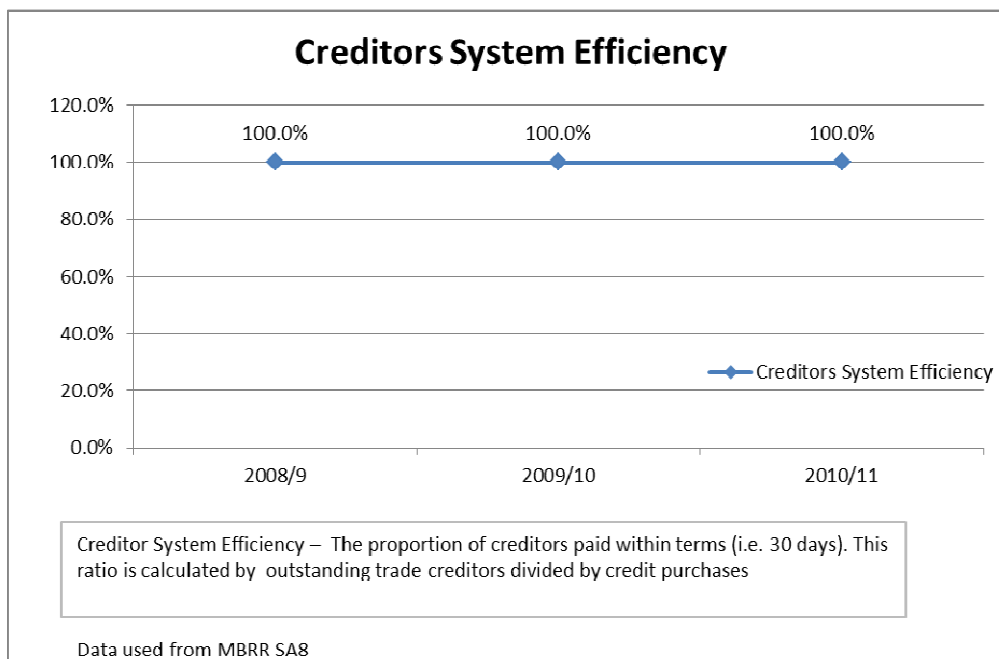
Graph8: Service Debtors

5.4.4 DEBT COVERAGE



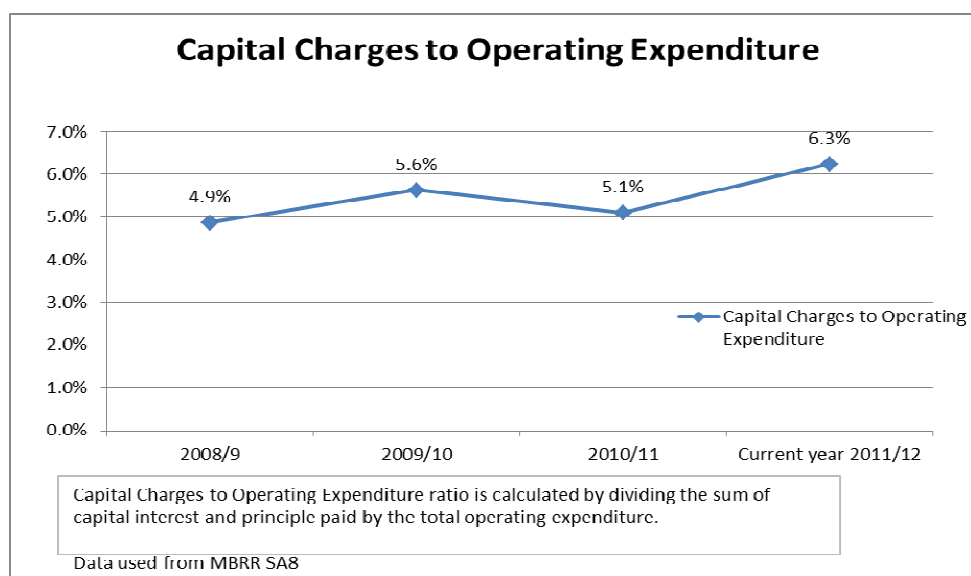
Graph9: Debt Coverage

5.4.5 CREDITORS SYSTEM EFFICIENCY



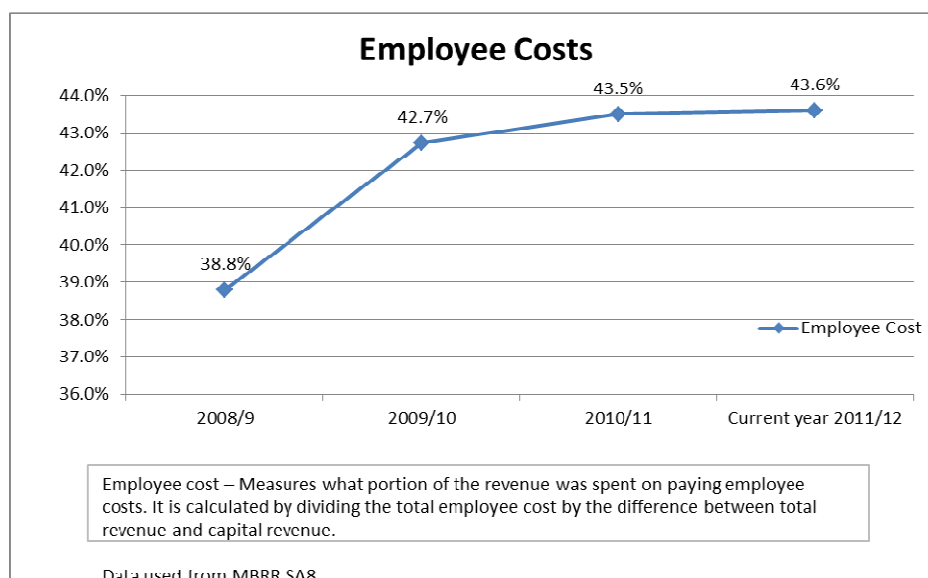
Graph10: Creditors System Efficiency

5.4.6 CAPITAL CHARGES TO OPERATING EXPENDITURE



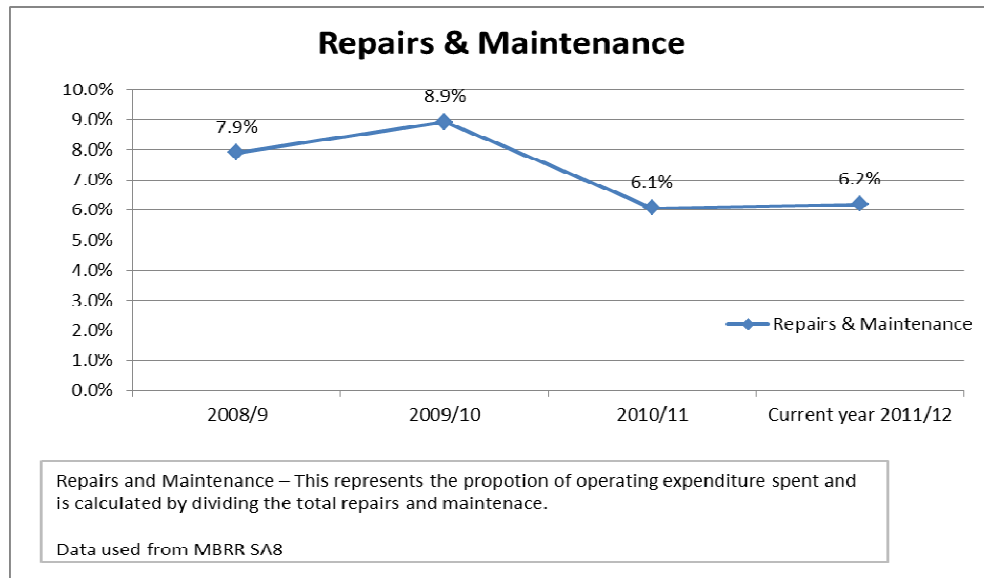
Graph11: Capital charges to Operating Expenditure

5.4.5 EMPLOYEE COSTS



Graph12: Employee Costs

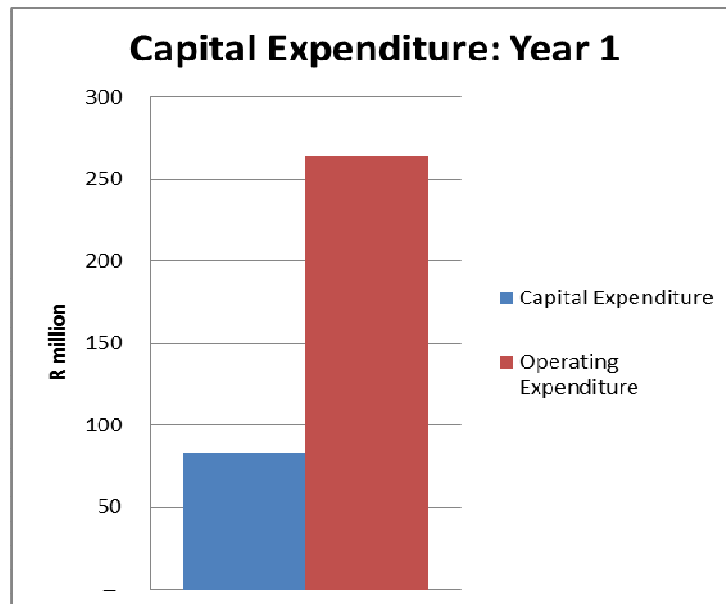
5.4.6 REPAIRS AND MAINTENANCE



Graph13: Repairs and Maintenance

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE



Graph14: Capital Expenditure

5.6 SOURCES OF FINANCE

Details		Year 0	Year 1				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	8 054 600	21 285 121	21 285 121	18 575 607	0.00%	-10.81%
	Public contributions and donations						
	Grants and subsidies	28 338 805	59 382 000	49 319 560	42 661 888	-16.95%	-26.51%
	Other	8 229 608	6 636 772	12 346 217	3 663 361	86.03%	-37.91%
Total		44 623 013	87 303 893	82 950 898	64 897 856	69.08%	-75.24%
Percentage of finance							
	External loans	18.1%	24.4%	25.7%	292.5%	0.0%	14.4%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	63.5%	68.0%	59.5%	672.4%	-24.5%	35.2%
	Other	18.4%	7.6%	14.9%	63.5%	124.5%	50.4%
Capital expenditure							
	Water and sanitation	19 075 777	33 441 121	32 732 681	25 634 345	-2.12%	-23.34%
	Electricity	3 440 991	6 730 000	9 575 505	6 218 258	42.28%	-7.60%
	Housing	9 602 493	33 977 000	23 914 560	17 182 946	-29.62%	-49.43%
	Roads and storm water	9 179 456	3 905 000	5 228 428	4 309 453	33.89%	10.36%
	Other	3 324 296	9 250 772	11 499 724	11,552,854	24.31%	24.89%
Total		44 623 013	87 303 893	82 950 898	64 897 856	68.75%	-45.13%
Percentage of expenditure							
	Water and sanitation	42.7%	38.3%	39.5%	39.5%	-3.1%	51.7%
	Electricity	7.7%	7.7%	11.5%	9.6%	61.5%	16.8%
	Housing	21.5%	38.9%	28.8%	26.5%	-43.1%	109.5%

Theewaterskloof Local Municipality Annual Report 2011/12

	Roads and storm water	20.6%	4.5%	6.3%	6.6%	49.3%	-22.9%
	Other	7.4%	10.6%	13.9%	17.8%	35.4%	-55.1%

Table 120: Sources of Finance

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

R' 000					
Name of Project	Current Year: Year 1			Variance Current Year: Year 1	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Housing	33 977 000	23 914 560	21 994 802	35%	30%
B - Upgrading of WWTP	15 890 187	14 056 731	6 738 049	58%	12%
C - Prepaid Water Meters	5 200 000	7 205 291	4 464 726	14%	-39%
D - Bulk Water Capacity upgrading	5 526 612	6 326 612	2 295 606	58%	-14%
E - Prepaid Electricity Meters	4 300 000	2 752 199	1 309 724	70%	36%
* Projects with the highest capital expenditure in Year 2011/12					
Name of Project - A	Housing				
Objective of Project	Address the Housing Backlog in the Theewaterskloof Area				
Delays	Insufficient funding, Land purchases and transfers				
Future Challenges	Land availability				
Anticipated citizen benefits					
Name of Project - B	Upgrading of WWTP Grabouw				
Objective of Project	To ensure efficient infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk service backlogs and make provision for development				
Delays	Delays were experienced from the side of the consultant w.r.t the delivery of the tender document as well as the evaluation and recommendations. Delay in adjudication of tender				
Future Challenges	Procurement of council funding (29% of the value of phase two).				
Anticipated citizen benefits	Unlock industry and other business and housing development				
Name of Project - C	Pre-Paid Water Meters				
Objective of Project	To ensure sustainable financial management of the municipality and execute legislative requirements				
Delays	n/a				

Theewaterskloof Local Municipality Annual Report 2011/12

Future Challenges	none
Anticipated citizen benefits	Manage useage/wastage.
Name of Project - D	Bulk Water Capacity upgrading-Grabouw
Objective of Project	To ensure efficient infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk service backlogs and make provision for development
Delays	Had to first complete phase 3a (pipeline).
Future Challenges	Securing funding in implementing the outstanding phase of the Bulk water upgrade (phase 5)
Anticipated citizen benefits	Unlock industry and other business and housing development
Name of Project - E	Pre-Paid Electricity Meters
Objective of Project	To ensure sustainable financial management of the municipality and execute legislative requirements
Delays	n/a
Future Challenges	none
Anticipated citizen benefits	Manage usage/wastage.

Table 121: Capital spending on 5 largest projects

5.8 BASIC SERVICES AND INFRASTRUCTURE BACKLOGS

R' 000						
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
Infrastructure - Road transport				%	%	
<i>Roads, Pavements & Bridges</i>				%	%	
<i>Storm water</i>				%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	

Theewaterskloof Local Municipality Annual Report 2011/12

Transmission & Reticulation				%	%	
Street Lighting	0	1 833	1 353	%	26%	
Infrastructure - Water				%	%	
Dams & Reservoirs				%	%	
Water purification				%	%	
Reticulation	619		619	%	0%	
Infrastructure - Sanitation				%	%	
Reticulation	2917		2310	%	21%	
Sewerage purification	16190	14356	14217	%	1%	
Infrastructure - Other				%	%	
Waste Management	1850		921	%	51%	
Transportation				%	%	
Gas				%	%	
<i>Other Specify:</i>				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

Table 122: Basic Services and Infrastructure backlogs

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENT

5.9 CASHFLOW

R'000				
Description	Year 0	Current Year: Year 1		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	160 770	212 904	213 377	170 972
Government - operating	47 961	52 505	58 552	59 256
Government - capital	53 435	59 382	64 274	56 145
Interest	8 475	7 700	8 450	9 572
Dividends	–	–	–	
Payments				
Suppliers and employees	(233 028)	(247 369)	(266 571)	(235 065)
Finance charges	(10 831)	(14 303)	(13 440)	(13 857)
Transfers and Grants	(428)	–	–	(638)
NET CASH FROM/(USED) OPERATING ACTIVITIES	26 353	70 819	64 643	46 384
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	1 610	–	–	3 689
Decrease (Increase) in non-current debtors	–	–	–	
Decrease (increase) other non-current receivables	5	–	–	3
Decrease (increase) in non-current investments	–	–	–	
Payments				
Capital assets	(35 067)	(91 178)	(82 551)	(64 898)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(33 453)	(91 178)	(82 551)	(61 554)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	
Borrowing long term/refinancing	26 496	21 285	21 285	21 385
Increase (decrease) in consumer	207	229	229	95

Theewaterskloof Local Municipality Annual Report 2011/12

deposits				
Payments				
Repayment of borrowing	(3 911)	(7 904)	(7 904)	(7 520)
NET CASH FROM/(USED) FINANCING ACTIVITIES	22 792	13 610	13 610	13 960
NET INCREASE/ (DECREASE) IN CASH HELD	15 692	(6 749)	(4 298)	(1 210)
Cash/cash equivalents at the year begin:	7 362	7 877	22 624	22 624
Cash/cash equivalents at the yearend:	23 054	1 128	18 326	21 414

Table 123: Cash Flow

5.10 BORROWINGS AND INVESTMENT

Instrument	1-Oct-09	1-Nov-10	1-Dec-11
Municipality			
Long-Term Loans (annuity/reducing balance)	82 642 659	105 351 997	119 167 102
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			98 087
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			

Table 124: Borrowings and Investments

5.11 ASSESSMENTS BY MUNICIPAL ACCOUNTING OFFICER WITH RESPECT TO MFMA

SECTION 121 (3)

A) ASSESSMENT BY THE MUNICIPAL ACCOUNTING OFFICER – MFMA SECTION 121 (3)(E)

The year under review has been a very difficult year country wide and certainly for Theewaterskloof Municipality. Economic conditions in the area have shown no improvement and hence it is becoming extremely difficult for the municipality to collect its outstanding debt.

Municipalities have no choice about who their customers are and must provide services to all, irrespective whether they have the means or ability to pay and face many pressure groups who want to have more and better services and expect to pay less. Despite all the challenges, we remain confident and steady in our quest to achieve better performance in credit control and debt collection in order to enable us to improve service delivery to all our communities.

The gross total outstanding debtors as at 30 June 2012 amounted to R121,9 million compared to R117 million compared with the corresponding period last year. This represents an increase of R4,9 million or 4,2% year on year. The net situation after the provision for doubtful debts have improved from R26,9 million to R17,4 million (35,4%). The reduction in net outstanding debtors is due to the increased allowance for doubtful debts.

An analysis of the outstanding debtors is provided in the table below:

Ageing of receivables					
Current (0 - 30 days)				13 528 461	12 193 409
1 to 3 months				6 652 275	8 717 961
3 to 6 months				7 015 815	5 667 658
Longer than 6 months				94 749 675	90 431 841
Total				121 946 227	117 010 870

The increase in the outstanding debtors is attributable to inter alia the difficulties that the municipality are experiencing in applying credit control measures in the areas where Eskom is the licensed electricity distributor. Another major contributor of the increase in outstanding debtors is the fact that it is virtually impossible to implement proper debt collection processes in one of our communities where the properties are held in trust.

We firmly believe, looking back to where we were in 2006, that we have achieved a great deal and we can be proud, yet humble about our achievements. We are also not complacent because there are still many steep mountains ahead and we believe that with a positive mind-set and politicians and administration sharing the same vision, we will succeed. We are grateful for the excellent and stable political leadership which has been emulated by the administrative leadership.

Realities:

Municipalities are at a disadvantage from the date when consumers apply for services because unlike the private sector you may not refuse the provision of services even if a person is not credit-worthy. The only way of restricting Indigents and other consumers, to consume within the free basic limits and affordability limits, respectively is by way of Prepaid Meters after proper consultation and provided that it is included in the municipality's By-laws.

Factors Impacting of Debt Collection (most of which are beyond our control:

- Most consumers have limited disposable income after tax (25-42%) has been deducted, along with Medical Aid, Pension Contribution, Bonds/ Rental, Travel Cost, Garnishee Orders (mostly from loan sharks), Education Fees, Insurance Policies have been deducted.
- many consumers are overextended with easily acquired personal loans by banks/institutions and credit supplied by clothing and furniture stores resulting in diminished/insufficient nett income to pay for municipal services
- Above inflation increases associated with Eskom Bulk Purchases are directly impacting on affordability and subsequently the ability of consumers to pay for services. This affects municipalities, consumers and businesses alike.
- Economic recession
- High and increasing Unemployment and Seasonal Workforce
- The escalation of Social Grant Dependence (from + 2 million in 2000 to + 14 million in 2011).
- Legal Action is a very time consuming, costly and onerous process
- Tariff increases as a result of above inflation increases in input costs such as fuel, Salga levies and audit fees.
- High School Drop-out rate, most of these youth are unemployed / not employable, adding to the already high unemployment rate.

The following are some of the Challenges and Solutions in Debt Collection:

- Proper credit control will be enforced and the focus will be shifted from debt collection to credit control
- Trans Union has been appointed to assist the municipality in identifying debtors who can afford to pay but who do not pay. The Trans Union system will also be used to identify customers who are indigents and therefore unable to pay their accounts after which all uncollectible debt will be written off as bad debt. This will prevent a situation where further interest charges are added onto the accounts and will assist the municipality in clearing its debtor's book.
- Proper Debt Collection System- procured a system through DBSA Grant funding. We still have many interface problems which will be attended as a matter of extreme urgency during the 2012/13 financial year.
- Follow-up of Arrangements- Many defaulters made arrangements but did not honour such arrangements due to no or weak follow-up system. The Debt Collection system assist a great deal and classifies all the steps followed and to be followed as well as a diary system.
- Attorneys were used and they were ineffective- Closed and withdrawn all cases and files and we are handling the entire Debt collection Value Cycle in-house)
- Illegal Connections and inability/unwillingness of SAPD to assist
- Farms: especially addresses and old valuation problems- obtained details and addresses of farms from various sources and external. Meeting/Communicating with those who have disputes in order to reach amicable solutions

- Debt Profiling- increased debtors grouping from 5 to 70 to get a better understanding of who the debtors are and their ability to pay, including categories for various government employees (Eg. SAPD, Correctional Services, Teachers, Education, Hospital, etc)
- Credibility of the Bill- Bill has been re-designed to be more user-friendly and Debtors Data Cleansing had resulted in additional revenue of R5 million.
- Legal Processes are very slow and there could be more than one summons per debtor as new debt arises while old debt is pursued
- Indigents Thresholds- Several Policy amendments were effected to address indigents and unaffordability
- Setting Collection Targets and Monitoring: a simplified Excel Daily monitoring Barometer was developed to measure the actual collection to date against the target set.
- Uncontrolled Water and Electricity Consumption- Implementation of Prepaid Water and Electricity Meters and Free Repairs of Indigent Household Water Leaks (cheaper to repair than the cost of water lost and not paid for)
- Active meter management iro of water consumption incorporating both indigent and nonindigent consumers to be implemented
- Prepaid Meters: the Way to Go: a pro-active credit control tool instead of reactive debt collection processes.
- Prepaid Water and Electricity Meters Installation Programme has commenced in 2010 and the aim is to curb consumption of electricity and water above affordability levels.
- It replaces the inhuman water restrictions ("Trickle-flow" System)
- Improves water management and water usage within affordable limits which leads to a decrease in bad debts as well as the detection of leakages.
- Municipal Bills must be Credible and therefore the Debtors Data Cleansing Assignments. Debtor information is being updated and properly profiled/categorized for ease of identification.
- Improved Customer Care.
- Account Query Mechanism in place for consumers to communicate queries/perceived queries on account.

It should be noted that small Municipalities and those with low revenue base are inclined to be slower in writing off debt because of extra effort to try and recover as much as possible.

Debtors Profile:

- Eskom distribution Towns: Highest Outstanding Debt(>75%)
- Genadendal = >16%. One of the smallest towns several Legal Action processes cannot be finalized: properties held in trust. It is also the town with high illegal reconnections
- Households – almost 50%
- New Indigent Debtors = almost 10%
- RDP Housing and other housing schemes = >50% of all outstanding: Debtors Data Cleansing Project has also identified countless RDP Households with high outstanding amounts as a result of owners who have vacated the houses. Data Cleansing and Credit control staff are currently liaising with the Department of Human Settlements to discuss possible solutions and recourse.

Theewaterskloof Local Municipality Annual Report 2011/12

B) ASSESSMENT BY THE MUNICIPALITY'S ACCOUNTING OFFICER –MFMA SECTION 121 (3) (F)

The actual revenue for the year amounted to R303,1 million against the budgeted revenue of R344,6 million. Revenue by source is depicted in the table below and indicates that the variances were recorded for government grants and subsidies and other income resulting in less revenue collected than anticipated.

	2012 R (Actual)	2012 R (Budget)	2012 R (Variance)	2012 (%)
Revenue by source				
Property Rates	43 226 388	39 742 286	3 484 102	9%
Government Grants and Subsidies	110 270 199	122 826 491	(12 556 292)	(10%)
Public Contributions and Donations	568 999	-	568 999	100%
Third Party Payments	61 708	-	61 708	100%
Fines	2 941 835	5 092 300	(2 150 465)	(42%)
Fair Value Adjustments	7 030 372	-	7 030 372	100%
Service Charges	120 756 522	122 388 079	(1 631 557)	(1%)
Rental of Facilities and Equipment	1 104 844	2 195 000	(1 090 156)	(50%)
Interest Earned - external investments	1 738 106	1 450 000	288 106	20%
Interest Earned - outstanding debtors	7 833 546	7 000 000	833 546	12%
Licences and Permits	2 926 316	2 813 500	112 816	4%
Agency Services	1 836 310	1 832 000	4 310	0%
Other Income	2 805 530	39 314 261	(36 508 731)	(93%)
	303 100 675	344 653 917	(41 553 242)	(12%)

D) ASSESSMENT BY THE MUNICIPALITY'S ACCOUNTING OFFICER –MFMA SECTION 121 (3) (G)

The Auditor-General has yet again issued an unqualified audit opinion on the annual financial statements for the year ended 30 June 2012.

There are however certain other matters that were highlighted in the audit report which prevented the municipality from obtaining a clean audit report. These matters will be attended to during 2012/13 and it is anticipated that the municipality will obtain a clean audit report by the end of 2013/14. The following issues were raised by the Auditor-General:

Pre-determined objectives

The municipality had achieved 46% of the planned targets for the year. This was primarily due to the fact the targets were not suitably developed and a review of the targets have already been undertaken to ensure that the targets are well developed. Furthermore, we are currently conducting quarterly performance reviews which are audited and submitted to the performance audit committee and to Council.

Unauthorised expenditure

The unauthorised expenditure is attributed to non-cash items such as debt impairments and impairment of investment property and PPE. It is extremely difficult to accurately project estimates for impairment of investment property and other Land and Buildings as these are valued at the reporting date. This matter will be taken up with the National Treasury as we are of the opinion that non-cash items should be excluded from expenditure for the purposes of calculating unauthorised expenditure.

Material corrections to the Annual Financial Statements

The municipality will attempt to produce interim financial statements in order to enable us to detect errors and to make timely corrections. The asset register will also be updated continuously and scrutinised for any errors. In addition, the process of compiling the annual financial statements will be fast tracked to allow for sufficient time to do a review of the financial statements before it is submitted for audit purposes.

Procurement and contract management

The municipality had appointed Trans-Union to assist us in identifying persons who are in the service of the state. Although this may not provide us with 100% assurance, we have no access to a database of persons that are in the service of the state and the municipality will continue to engage with the Auditor-General, Provincial and National Treasury to provide access to such a database. The municipality is also currently in process of establishing a contract management unit.

Inventory Management

A proper procedure for inventory management has been developed and all inventory purchases and issues are being done electronically on the financial system. It is also planned to conduct quarterly stock takes while surprise stock counts will also be performed occasionally.

CHAPTER 6

AUDITOR GENERALS AUDIT FINDINGS

CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

ANNEXURE A: REPORT OF THE AUDIT COMMITTEE

The Report of the Audit committee on the Annual Performance of the Municipality ending June 2012 was presented to council on 29 November 2012.

The following recommendations made by the audit committee should be considered by council in order to improve the Annual Performance of the Municipality:

1. **That a financial turnaround plan for the Municipality be developed with respect to deficits incurred.**
2. **That the Municipality investigate the management of investment property and consider disposing some of this investment property. Funds generated from this disposal can be invested more effectively in the acquisition of infrastructural and other income generating assets.**
3. **That Council be advised to pay attention to the current inadequate capacity levels with respect to the Contract Management unit and other critical posts in the Technical Directorate if the desired performance is to be attained in the new financial year.**

ANNEXURE B: CAPITAL PROJECTS: SEVEN LARGEST IN 2011/12

Capital Projects: Seven Largest				
No.	Project Name and detail	Start Date	End Date	R' 000 Total Value
	Grabouw wwtw upgrade (phase I)	01/02/2012	30/11/2013	14 056.00
	Grabouw bulk water infrastructure upgrade phase 3	27/01/2011	19/09/2011	6 703.00
	Greyton-Genadendal Link Sewer	08/08/2011	14/09/2012	3 360.00
	Villiersdorp wwtw upgrade (EIA)	14/01/2010	30/11/2014	401.00
	Bereaville sewerage installation (EIA)	20/01/2012	30/11/2014	200.00
	Greyton-Genadendal solid waste transfer station	08/08/2011	14/09/2012	2 109.00
	Riviersonderend bulk water supply pipeline upgrading	1/07/2011	30/04/2013	344.00

ANNEXURE C: AUDIT COMMITTEE RECOMMENDATIONS

Date of Committee	Committee recommendations during Year 2011/12 (Report presented to the committee)	Recommendations adopted (enter Yes) If not adopted (provide explanation) (Report adopted (enter Yes) If not adopted (provide explanation))
26-Aug-11	Auditor General's Audit Strategy for the Year ended 30 June 2011	Yes
26-Aug-11	Financial Statements for the year ended 30 June 2011	No - Referred to Special Audit Committee Meeting
26-Aug-11	IDP : 2010/2011 4th Quarter Performance Assessment (July 2010 to June 2011)	Yes
26-Aug-11	Performance Management Third Quarter Report	Yes
26-Aug-11	Audit Work Completed and Planned	Yes
26-Aug-11	Risk Management Review	Yes
26-Aug-11	Income Review	Yes
26-Aug-11	Internal Audit Department: GRAP 17 & 21	Yes
26-Aug-11	Internal Audit Follow-up of Audit Reports	Yes
26-Aug-11	Auditor General Report Follow-up	Yes

Theewaterskloof Local Municipality Annual Report 2011/12

Date of Committee	Committee recommendations during Year 2011/12 (Report presented to the committee)	Recommendations adopted (enter Yes) If not adopted (provide explanation) (Report adopted (enter Yes) If not adopted (provide explanation))
26-Aug-11	Annual Risk Based Internal Audit Plan 2011/2012	No - Supply Chain Management had to be added to the Risk Based Audit Plan. The plan was again submitted in September for approval.
26-Aug-11	Meeting Schedule	Yes
26-Aug-11	Audit Committee Charter	Yes
30-Sep-11	Revised Annual Risk Based Audit Plan 2011/2012	Yes
30-Sep-11	Financial Statements for the Year ended 30 June 2011	Yes
28-Oct-11	Appointment of a member of the Oversight Committee	Yes
28-Oct-11	King III Compliance	Yes
28-Oct-11	Audit Work Completed and Planned	Yes
28-Oct-11	Performance Management Annual Report	No - Referred back to obtain additional comments from directors
28-Oct-11	2011/2012 First Quarter Performance Assessment (July 2011 - September 2011)	Yes
28-Oct-11	Municipal Finance Management Act Compliance	Yes
28-Oct-11	Occupational Health and Safety	Yes
28-Oct-11	Internal Audit Follow-up of Audit Reports	Yes
28-Oct-11	AdHoc Cellullar Telephone Review	Yes
2-Dec-11	Auditor General's Report for the 2010/2011 Financial Year	Yes
2-Dec-11	Financial Services Report	Yes
2-Dec-11	Anti - Corruption Policy Revised 2011	No - referred back due to changes requested by the Committee
2-Dec-11	Travel Allowance Review	Yes
2-Dec-11	Performance Management Annual Report	Yes
2-Dec-11	Supply Chain Management First Quarter	Yes

Theewaterskloof Local Municipality Annual Report 2011/12

Date of Committee	Committee recommendations during Year 2011/12 (Report presented to the committee)	Recommendations adopted (enter Yes) If not adopted (provide explanation) (Report adopted (enter Yes) If not adopted (provide explanation))
	Review	
20-Jan-12	Value for Money Audit: Moving Violation Systems (MVS)	Yes
20-Jan-12	Review by National Treasury	Yes
20-Jan-12	Meeting Schedule	Yes
20-Jan-12	2010/2011 Annual Report	Yes
24-Feb-12	Audit Work Completed and Planned	Yes
24-Feb-12	Budget Related Policies: Virement Policy Compliance	Yes
24-Feb-12	Budget Related Policies: Cash Management and Investment Policy Compliance	Yes
24-Feb-12	Traffic and Internal Control Review	Yes
24-Feb-12	Supply Chain Management Second Quarter Review	Yes
24-Feb-12	Town Inspections - Assets & Stock	Yes
24-Feb-12	Internal Audit Follow-up of Audit Reports	Yes
24-Feb-12	2011/2012 Mid Year Performance Assessment (July 2011 - December 2011)	Yes
24-Feb-12	Second Quarter Financial Report	Yes
24-Feb-12	Interim Report by the Chairperson of the Performance- and Audit Committee for the 6 months ending 31 December 2011	Yes
24-Feb-12	Submission of the Risk Register to the Audit Committee for Cognisance	Yes
1-Jun-12	Audit Work Completed and Planned	Yes
1-Jun-12	Municipal Systems Act (MSA) Compliance Review	Yes
1-Jun-12	DORA (Division of Revenue Act) Compliance Review	Yes

Theewaterskloof Local Municipality Annual Report 2011/12

Date of Committee	Committee recommendations during Year 2011/12 (Report presented to the committee)	Recommendations adopted (enter Yes) If not adopted (provide explanation) (Report adopted (enter Yes) If not adopted (provide explanation))
1-Jun-12	Housing Management Review	No, the Committee requested for the report to stand over until the next meeting
1-Jun-12	Supply Chain Management Third Quarter Review	Yes
1-Jun-12	Budget Related Policies: Credit Control and Debt Collection Policy Compliance	Yes
1-Jun-12	Maintenance on Proclaimed Roads	Yes
1-Jun-12	Internal Audit Follow-up of Audit Reports	Yes
1-Jun-12	Auditor General Report Follow-up	Yes
1-Jun-12	2011/2012 Third Quarter Performance Assessment	Yes
1-Jun-12	Annual Risk Based Internal Audit Plan 2012/2013	Yes
1-Jun-12	Quality Assurance and Improvement Program	Yes
1-Jun-12	External Review of the Audit Department	Yes
1-Jun-12	Performance- and Audit Committee Evaluation	Yes
1-Jun-12	Internal Audit Evaluation	Yes
1-Jun-12	Quarterly Budget Statement for the Third Quarter Ending 31 March 2012	Yes
1-Jun-12	Local Government Financial Governance Review and Outlook	Yes

ANNEXURE D: LONG TERM CONTRACTS

Long Term Contracts					
					R' 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Lektratek	Upgrading of Grabouw Sewage Treatment Works - Phase 1 Design, Supply & Installation of Mechanical & Electrical equipment	2012/02/22	2015/02/21	N. Kayser	31 085 661.39
ABSA	Raising of Loans	2012/04/17	2019/04/16	S. Mostert	8 400 000.00
		2012/04/17	2027/04/16		11 785 121.00
Power Construction	Resurfacing of Plein & Hope Street, Caledon	2011/09/17	2011/12/30	L. Parnell	3 905 593.45
Viking Pony Africa Pump t/a Tricom Africa	Supply and Installation of Mechanical and Electrical Pumping Equipment for the Eikenhof Dam Pump Station	2012/03/15	2012/10/31	N. Kayser	3 630 411.51
Adenco Construction	Upgrading of medium voltage networks in Villiersdorp and Greyton	2011/11/11	2012/10/31	M. Redelinghuys	2 426 324.38
Nammic Engineering	Upgrading of Grabouw Sewage Treatment Works - Civil Works	2012/03/05	2012/08/31	N. Kayser	2 228 319.81
Elster Kent Metering	Supply and Delivery of Prepaid Water Meters to Theewaterskloof Municipality	2012/04/26	2012/07/23	N. Barnard	2 193 812.19
Cape Asphalt	Upgrading of Grabouw Community Centre Precint	2012/05/28	2012/08/27	J. Barnard	1 851 822.56
AL Abbott & Associates	Provision of Services: Taking of water and sewage samples, analysing and monitoring it in the towns of Botrivier, Caledon, Genadendal, Grabouw, Greyton, Riviersonderend and Villiersdorp for the period from 01 December 2011 to 30 November 2014.	2012/01/25	2012/11/30	R. Myburgh	1 722 529.74
Peter Starke Civils	Grabouw Bulk Water Phase 3B: Eikenhof Dam Pump Station Building	2012/03/14	2012/10/31	N. Kayser	1 631 512.19

Theewaterskloof Local Municipality Annual Report 2011/12

Long Term Contracts					
Suid Kaap Waardeerders	Execution of a General Valuation and the Supplementary rolls of all properties in the jurisdiction area of the TWK Mun. for 2013/2014 - 2016/2017	2011/07/14	2014/06/30	J. van Niekerk	1 581 944.94
WP Electric	Installation of New High Mast Lighting in Grabouw and Streetlights in Genadendal	2012/04/19	2012/06/30	M. Redelinghuys	1 343 706.96
Dombo du Plessis & Partners	Provision of Professional Services: Installation Sewer Reticulation Network in Bereaville	2012/03/08	2015/03/07	N. Kayser	1 250 722.50
Wettech SA	Conversion of an existing 140m ³ Communal Conservancy Tank to a Packaged Sewage Treatment Plant for Tessellaarsdal	2011/12/06	2014/06/30	N. Kayser	1 027 979.04
AAD Truck & Bus	Supply & Delivery of Motor Vehicles	2012/01/18	2012/03/17	I. Loubser	1 000 372.80
Genadendal Jackie's Bazaar	Provision of Services: Removal of Refused at Households and Streetbins in Middleton and Tessellaarsdal for the period from 01 July 2012 - 30 June 2015	2012/08/03	2015/06/30	L. Parnell	544 272.48
Umthi Umkhulu Trading	Supply and Delivery of 3+3 Back to Back Toilets to Caledon & Villiersdorp	2012/02/15	2012/04/14	H. Mathinus	438 900.00
Mubesko Africa	Compilation of AFS and updating of FAR and classifications in terms of GRAP	2012/05/21	2012/05/24	M. van Staden	438 900.00
Mubesko Africa	Compilation of AFS and updating of FAR and classifications in terms of GRAP	2011/06/21	2012/07/24	F. v/d Westhuizen	408 300.00
Ngaphaya Y2K10	Supply and Delivery of 315kVa Miniature Substation and Pole Mounted Transformer	2012/03/01	2012/06/25	M. Redelinghuys	392 800.00

ANNEXURE E: DISCLOSURE OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Christopher Bernard Punt	BKB Aandele, Sanlam Aandele, SASSOL aandele, PSG - Aandele Portefeulje Tustee
	Member of MayCo / Exco	MLulami Tshaka
		Glen Morris Edwin Carelse
		Karel Isak Johannes Papier
		Nicolaas Havenga De Wet
		Pearl Ursula Stanfliet
Councillor	Christian Johanna Maria Vosloo	NIL
	Andrew Henry Franklin Cupido	NIL
	Isaac Mbulelo Sileku	Director and Co-Funder of Siyabulela Events Management
	Johnvin Patrick Hendricks	Member of Overberg Labour Outsourcing Specialists and TWK Construction Resources CC
	Sharon Regina Witbooi	NIL
	Charles David November	NIL
	Funeka Mankayi	NIL
	Jacobus Johannes Swartz	NIL
	Monwabisi Raymond Nongxaza	NIL
	Kiro Jacobie Tiemie	Tiemie Bouers Cc
	Marie Louise Hector	NIL
	Martha Magdalena Koegelenberg	Member of The Nail place Cc; and have a financial interest in Caledon Grace Guesthouse; Husband is the Director of Armature Winding Pty Ltd (registered service provider of Municipality)
	Johanna Nellie	NIL
	Catherine Vuyiswa Thembani	NIL
	Nicholaas Pieterse	NIL
	Meki Plato	Member of Thandi Farm Cc
	Martin Mathews	NIL
	Unathi Toto Sipunzi	NIL
	Peter de Wet	NIL

Theewaterskloof Local Municipality Annual Report 2011/12

Disclosures of Financial Interests		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial interests* (Nil / Or details)
Municipal Manager	H S D WALLACE	753 SANLAM SHARES
Chief Financial Officer	S N JACOBS	NIL
Deputy MM and (Executive) Directors	HSD Wallace	NIL
Other S57 Officials	M H GXOYIYA	BIZ AFRICA - ABSA 25%
	J BARNARD	NIL

ANNEXURE F: REVENUE COLLECTION BY VOTE

Revenue Collection Performance by Vote						
						R' 000
Vote Description	Year 0	Current Year: Year 1			Year 1 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1 - Executive & Council	3 054	4 572	5 684	4 527	-1%	-20%
Vote 2 - Finance & Admin	150 742	85 510	90 294	150 819	76%	67%
Vote 3 - Planning & Development	1 711	1 990	2 397	1 620	-19%	-32%
Vote 4 - Community & Social Services	1 049	1 096	4 583	4 574	317%	0%
Vote 5 - Housing	–	300	300	–	-100%	-100%
Vote 6 - Public Safety	3 767	5 396	5 413	3 039	-44%	-44%
Vote 7 - Sport & Recreation	87	93	32	(212)	-327%	-764%
Vote 8 - Environmental Protection	–	–	–	–	–	–
Vote 9 - Waste Management	18 523	19 869	20 117	20 277	2%	1%
Vote 10 - Waste Water Management	16 701	19 450	18 718	17 927	-8%	-4%
Vote 11 - Roads Transport	4 695	4 679	5 021	3 878	-17%	-23%
Vote 12 - Water	36 437	40 629	37 697	37 466	-8%	-1%
Vote 13 - Electricity	47 285	58 561	59 160	59 413	1%	0%
Vote 14 - Other	–	59 382	64 274	–	-100%	-100%
Total Revenue by Vote	284 050	301 528	313 691	303 327	(0)	(0)

ANNEXURE G: REVENUE COLLECTION BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	Year 0	Year 1			Year 1 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	41 130	40 183	39 742	43 226	7%	8%
Property rates - penalties & collection charges	–	–	–	–		
Service Charges - electricity revenue	46 752	57 054	57 653	55 063	-4%	-5%
Service Charges - water revenue	34 163	37 690	34 758	35 255	-7%	1%
Service Charges - sanitation revenue	13 419	14 797	14 065	14 623	-1%	4%
Service Charges - refuse revenue	14 165	14 085	14 333	16 074	12%	11%
Service Charges - other	1 429	1 493	1 579	166	-799%	-852%
Rentals of facilities and equipment	1 300	1 534	2 195	1 105	-39%	-99%
Interest earned - external investments	1 665	1 700	1 450	1 738	2%	17%
Interest earned - outstanding debtors	7 389	6 000	7 000	7 834	23%	11%
Dividends received	–	–	–			
Fines	3 627	5 074	5 092	2 942	-72%	-73%
Licences and permits	2 612	2 603	2 814	2 926	11%	4%
Agency services	1 778	1 815	1 832	1 836	1%	0%
Transfers recognised - operational	48 591	52 505	73 506	110 839		
Other revenue	13 383	4 614	5 351	9 948	54%	46%
Gains on disposal of PPE	(789)	1 000	3 000	–		
Environmental Protection						
Total Revenue (excluding capital transfers and contributions)	230 616	242 146	264 371	303 574	20.24%	12.91%

GLOSSARY

GRAP	Generally Recognised Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
IMFO	Institute for Municipal finance officers
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MAYCOM	Executive Mayoral Committee
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MSA	Municipal Systems Act No. 32 of 2000
MTECH	Medium Term Expenditure Committee
NGO	Non governmental organisation
NT	National Treasury
OPEX	Operating expenditure
PMS	Performance Management System
PT	Provincial Treasury
SALGA	South African Local Government Organisation
SAMDI	South African Management Development Institute
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
EE	Employment Equity
GAMAP	Generally Accepted Municipal Accounting Practice

Theewaterskloof Local Municipality Annual Report 2011/12

VOLUME II: ANNUAL FINANCIAL STATEMENTS
